

# The National Underwriter

A WEEKLY NEWSPAPER OF INSURANCE

THURSDAY, MARCH 10, 1932



PROTECTION



SINCE 1848

## THE OLD MAN ON THE FENCE

*...a Trademark and a Guarantee*

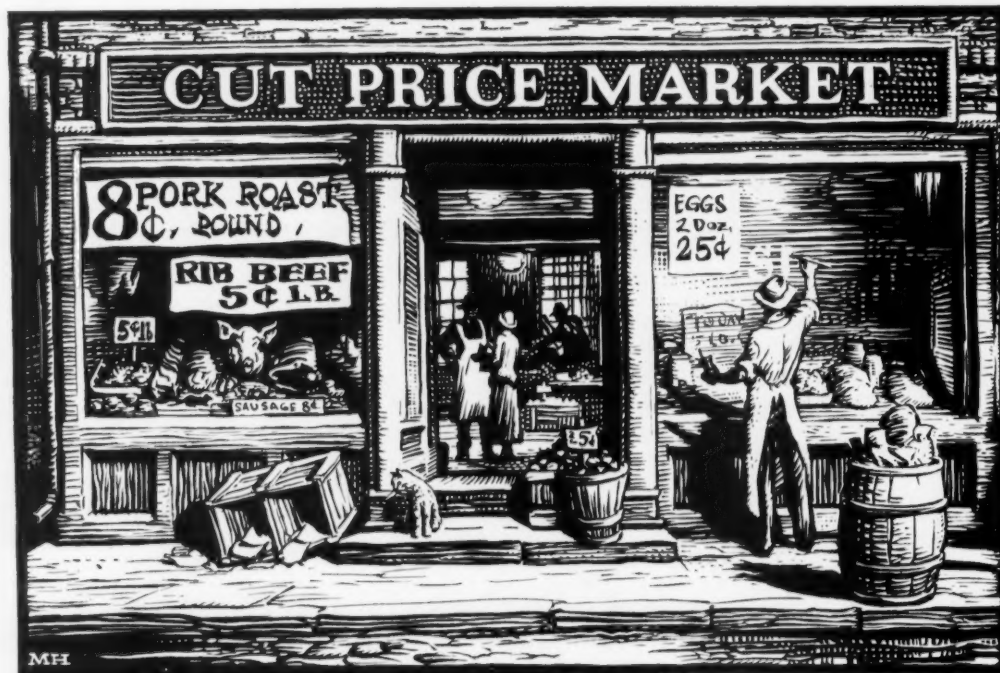
The Old Man on the Fence is a symbol of the sturdy honesty and earnest integrity of the Ohio Farmers Insurance Company. He is a guarantee of the reliability that has provided PROTECTION SINCE 1848.

Any policy entitled to bear the trademark—the Old Man on the Fence—is backed by the full strength of this old, established, strong and reputable Company.

And any agency that represents the Old Man can count on his sympathetic cooperation and his friendly aid in building a pleasant and profitable business.

**fire**  
AND  
AUTOMOBILE  
INSURANCE

**OHIO FARMERS**  
INSURANCE CO. • LEROY, O.



## IT'S NOT THE SAME KIND OF SAUSAGE MEAT!

Two stores —  
 They both sell sausage meat  
 One charges 8 cents a pound  
 The other twice as much  
*But it's not the same kind of sausage meat!*  
 In the insurance business  
 It's just as true —  
 A cut price  
 Is the surest sign  
 Of cut quality!  
 It's easier to make it *cheaper*  
 Than it is to make it *better*  
 But it's not so good  
 For the man who buys it  
 (Or the one who sells it)  
*In the long run!*

### THE ÆTNA CASUALTY AND SURETY COMPANY

affiliated with

THE ÆTNA LIFE INSURANCE COMPANY — THE AUTOMOBILE INSURANCE COMPANY  
 THE STANDARD FIRE INSURANCE COMPANY OF HARTFORD, CONNECTICUT

1850



1932

## "WESTERN AND SOUTHERN GROUP"

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THE WESTERN AND SOUTHERN  
INDEMNITY COMPANY

Policyholders Surplus—

**\$1,425,187.17**

THE WESTERN AND SOUTHERN  
FIRE INSURANCE COMPANY

Policyholders Surplus—

**\$470,875.53**

All Securities Valued at  
Market December 31, 1931

Charles F. Williams, President

**CINCINNATI, OHIO**

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Address—William C. Safford, General Manager



# "I AM NOT MUCH OF A WRITER BUT -



if I could be of some help to a fellow agent I would be glad," he replied, when asked to tell how he increased his premium income 40% last year. "First let me say that conditions are just the same here as elsewhere. I hear plenty of depression talk but no man hears me talk it. When a man begins to talk depression he begins to hurt his own business." "Second - there are five agents writing business in this town of 1000. Therefore, I am convinced that competition is the life of business and I have no fear of honest competition." "I watch the papers and when I see that a man has a new car, I go at once to see him, perhaps he is covered for liability and property damage, but I know that he needs fire and theft and collision. If I have a line of any kind for a person, I make it a point to find out if he is properly covered in all lines. I find that Inland Marine insurance is neglected by many agents. Many times my first wedge into a man's business is Inland Marine. And I feel that I have done a real service when I get him covered. I hope to make this year a banner year."

HE WILL!

## The AMERICA FORE GROUP of Insurance Companies

THE CONTINENTAL INSURANCE COMPANY FIDELITY-PHENIX FIRE INSURANCE COMPANY NIAGARA FIRE INSURANCE COMPANY  
AMERICAN EAGLE FIRE INSURANCE COMPANY FIRST AMERICAN FIRE INSURANCE COMPANY MARYLAND INSURANCE COMPANY OF DELAWARE

Eighty Maiden Lane,

THE FIDELITY AND CASUALTY COMPANY

New York, N.Y.

ERNEST STURM, Chairman of the Board

PAUL L. HAID, President

ERNEST STURM, Chairman of the Board

WADE FETZER, Vice Chairman

PAUL L. HAID, President

NEW YORK

CHICAGO

SAN FRANCISCO

ATLANTA

DALLAS

MONTREAL



# The National Underwriter

Thirty-Sixth Year No. 10

CHICAGO, CINCINNATI, NEW YORK AND SAN FRANCISCO, THURSDAY, MARCH 10, 1932

\$4.00 Per Year, 20 Cents a Copy

## Assureds, Agents Study Statements

Eager to Know Exact Financial  
Status of Their Com-  
panies

### TO CUT DOWN ON NUMBER

Fewer Carriers Retained by Agencies  
Because of Reduced Premiums—  
Field Men Alert

NEW YORK, March 9.—Not only are local agents the country over studying the financial position of the fire companies as revealed in the annual statements that have been made public during the past few weeks, but many large assureds are displaying like interest; eager to know if the companies in which they carry indemnity are in position to settle claims fairly and promptly in the event of loss. As evidencing the attitude of some property-owners a local agent was asked to furnish not only a list of the companies carrying his line, but the names of their reinsurers and the extent of the reinsurance as well. In every connection, fortunately, the offices concerned were of exceptional strength and the assured, after being supplied their most recent annual reports, expressed his entire satisfaction therewith.

#### Numerous Requests

Numerous requests of like character have been made upon brokers by big-line clients, the latter not asking particularly as to the figures of the fire companies; being content instead with the assurance of the brokers that the companies are not only solvent, but possess substantial surpluses, even after valuing securities at Dec. 31 market quotations.

Trust company officials notably have been scrutinizing the statements of the companies with a keenness never previously shown, wanting to make certain that the indemnity behind their property loans is of character that can be safely counted upon. It is understood that some of the trust and mortgage loan institutions have been critically revising the list of fire companies acceptable to them as indemnitors, and modifying the aggregate of liability they are willing to place with each. Companies of clean reputation and with a proper ratio of assets to liabilities, so far from fearing the critical study to which their financial status is being subjected, welcome such action, assured that they will be the gainers because of it.

#### Reduce Representation

Yet another change in field conditions that has developed notably during the past year, is the reducing of company representation by many local men, who argue that with the falling off in premium volume a limited number of of-

## Domestic Fire Risks Now Are 178 Billion Dollars

Total domestic fire risks carried by all insurance companies operating in the United States amount at the present time to some 178 billion dollars, as against 201 billions a year ago and 229 billions in 1929, it is estimated as the result of an inquiry made under the direction of Ernest Sturm, chairman of the board of the America Fire. Fire premiums fell off about 12 percent in 1931 as compared with 1930.

"A decline in last year's total fire business was, of course, inevitable, in view of prevailing conditions," said Mr. Sturm, "although the final results were somewhat better than expected. The total of fire risks is still well above the 150 billions recorded in 1920 and the 54 billions outstanding at the close of 1910.

#### Why Premiums Decreased

"The decrease in premium receipts was caused briefly by conditions that affected lines of business. With real estate values reduced and commodity prices well below the 1930 level, insurable values were correspondingly lowered. There was an estimated \$2,500,000,000 of new building construction completed, but much of this replaced old structures and did not represent that much additional property subject to insurance coverage. Since the new buildings erected were more fire-resistant than the old ones, they were accorded

lower premium rates under the prevailing merit system which gives prescribed credits for approved methods of construction and maintenance.

lower premium rates under the prevailing merit system which gives prescribed credits for approved methods of construction and maintenance. "For the past ten years or more, the trend throughout the nation toward better construction has been clearly reflected in the declining average rate for fire insurance protection, and in the lower ratio of aggregate fire premiums to outstanding risks. New structures replacing obsolete, hazardous properties involve higher values, but being less burnable, they produce much smaller premiums.

(CONTINUED ON PAGE 6)

### Troxell, Kikendall & Co. Get First Agency License

Troxell, Kikendall & Co. of Springfield, Ill., received the first license under the new Illinois agents' qualification law. It was issued to the firm as an agent of the London Guarantee & Accident and was signed personally by Director of Trade & Commerce Lowe and Insurance Superintendent H. W. Hanson. R. W. Troxell, head of the firm, is chairman of the board of the Illinois Association of Insurance Agents and had much to do with securing the passage of this act. The members of the firm are R. W. Troxell, W. C. Kikendall, A. E. Skoog, C. I. Thomas and H. H. Weber.

lower premium rates under the prevailing merit system which gives prescribed credits for approved methods of construction and maintenance.

"For the past ten years or more, the trend throughout the nation toward better construction has been clearly reflected in the declining average rate for fire insurance protection, and in the lower ratio of aggregate fire premiums to outstanding risks. New structures replacing obsolete, hazardous properties involve higher values, but being less burnable, they produce much smaller premiums.

"If this situation were accompanied by lower fire losses, the net results would be favorable to the underwriters. Unfortunately, however, on a quantitative basis, more wealth was burned up last year than in 1930 although as expressed in dollars—\$452,000,000—the aggregate was smaller.

"In order to offset the unsatisfactory trend in fire risk underwriting, the companies have carried on vigorous campaigns to increase their business in allied lines, an important one being the inland transportation class. This class is an elastic one embracing an extensive number of policy forms, many of which have been created to fill a public need for unusual financial protection to safeguard bond issues and to assure income against interruption in the event of various occurrences."

## Delinquent Agencies Won't Admit They Are Insolvent

Agents who refuse to believe they are insolvent because of lax business methods, particularly with reference to collections, constitute one of the chief problems of the depression for the companies, according to a prominent western manager.

In numerous instances, this executive says, his companies have been forced to keep their field men in an agency for a week or more before the agent could be convinced that there was anything materially wrong with his financial status. The agent, in most such instances, was confident that the huge volume of his outstanding accounts could be collected and felt that a temporary loan to meet his balance with the company was the only requirement of the situation. Impossibility of obtaining such a loan, followed by a sincere collection effort, sometimes has succeeded in saving the agency, according to the company official, but there have been about as many instances when the company was forced to take control to salvage as much as possible from a formerly prosperous business.

#### Fassold with General

Frank Fassold, well known as a former manager of the Milwaukee Board and following that in agency work for several years, has become Wisconsin state agent for the General of Seattle, with headquarters in Milwaukee.

## Three Subjects To Be Discussed

Some Important Complaints as to  
Company Practice Will  
Be Reviewed

### INTEREST IN GATHERING

National Association of Insurance  
Agents Executive Committee Will  
Ponder Over Weighty Matters

NEW YORK, March 9.—Three important matters involving company practice will engage the attention of the executive committee of the National Association of Insurance Agents, when it meets at Cleveland, March 21, immediately preceding the mid-year gathering. The first complaint alleges violation of the conference agreement by certain companies in appointing a bank agency in Tennessee. Complaint No. 2, comes from Des Moines, and charges the practice "of one or more general agents uncontrolled by companies" has reached such pass that the local association declares for "a showdown." The third point at issue revolves about "the practice of one or more surety companies in directly contracting with assureds in the writing of bonds, eliminating thereby agency system."

#### Will Have Two Gatherings

As previously announced March 22, will be divided between gatherings of the national council and the state officers. President W. B. Calhoun presiding at the former and Executive Committee Chairman C. L. Gandy at the latter conference.

"Association membership" will be one of the leading topics to come before the general meeting. Judge W. H. Tomlinson, secretary of the Ohio association, will explain the workings of the "adoption plan" as inaugurated in his state some months ago.

#### Entertainment for Ladies

Arrangements for the entertainment of delegates have been completed by the Cleveland Insurance Board. Entertainment for the ladies will be furnished by a special committee of which C. H. Parsons is chairman. The visiting ladies will be conducted on a shopping tour and be shown the attractive sights of the city. Associate Manager A. W. Whitney of the National Bureau of Casualty & Surety Underwriters at the March 23 forenoon session will point out how agents may help in reducing highway accidents, a subject of unusual interest just now in view of the sharp advance in automobile public liability and property damage rates.

C. O. Ransom, chairman of the entertainment committee and C. H. Parsons, chairman of the ladies entertainment group, announce an interesting program of entertainment. It will begin with the

(CONTINUED ON PAGE 6)

## Advices Defining Fiduciary Relationship by Contract

### ATTORNEY SUGGESTS CLAUSE

F. O. Affeld, Jr., Addresses Long Island Suburban Field Club at Brooklyn

Although the fiduciary relationship of agent to company is fixed by law, a contract calling the agent's attention to that relationship is expeditious, according to F. O. Affeld, Jr., attorney, who addressed the Long Island Suburban Field Club at Brooklyn. His suggestion as to such a clause was:

"It is agreed that for all moneys received or collected by the agent he shall be responsible to the company in a trust or fiduciary capacity. The agent further agrees that his method of doing business, keeping accounts, or depositing moneys of the company pending the payment of balances when due, shall not at any time be claimed by him to change his liability as a fiduciary."

### Another Clause Suggested

Mr. Affeld also suggested a clause providing that in the event of termination the agent agrees, at the option of the company, to collect outstanding accounts and to be entitled to commissions only if collected; or, if collection is undertaken by the company, that it is not obligated to bring suit to collect. Collection, whether by the company or by the agent, should be a necessary prerequisite for commission, he said.

Other points should be covered in the contract, he said. For instance, agents sometimes bill companies for incidental services rendered after the agency has been terminated. That point should be settled in the contract.

In the absence of a clean cut contract, Mr. Affeld warned special agents against taking any action which would tend to alter the fiduciary relationship. For instance, the taking of security of any kind is likely to change the relationship to one of creditor and debtor.

### Mortgagee Clause

Mr. Affeld also dwelt on some phases of the mortgagee clause. He said if insurers would more frequently exercise their right to repair, they would save much money, especially when two mortgagees are involved, each holding his own policy. Companies, he declared, are unduly apprehensive, fearing a possible claim by owner or mortgagee that the repairs were not properly made. That issue could easily be met, he declared, by bonding the contractors.

Mr. Affeld said that agents should inquire more carefully as to the mortgagee interest when the policies are issued. Whenever possible, he suggested a clause be used reading somewhat as follows: "Loss, if any, first payable to the title company, first mortgagee, the balance, if any, to John Doe, second mortgagee, as their respective interests may appear; balance, if any, to the insured."

This, he said, would prevent junior mortgagees from cashing in at the expense of the insurer. This is especially valuable now when there are an exceptional number of foreclosures pending.

Instead of the present situation under which the mortgagee is not obligated to pay the premium if the assured does not, and failing to do so, being no longer entitled to avail himself of the protection of the mortgagee clause, Mr. Affeld said it would be more equitable if the mortgagee agreed to pay the premium if the mortgagor did not, for the mortgagee had the full benefit of the protection.

Mr. Affeld also discussed some angles of cancellation notices. He advocated use of the window type of envelope for the notice.

## Remittances Made and Received by Foreign Branches

The total amounts remitted from and to their home offices by the United States branches of foreign companies for 1931, as reported to the New York insurance department, are as follows:

|                     | From Home Office | To Home Office |
|---------------------|------------------|----------------|
| British America     | \$ 61,734        | \$ 91,258      |
| Alliance            | 7,694            | 245,521        |
| British General     | 48,493           | 59,912         |
| Atlas As.           | 482,211          | 463,354        |
| British & For. Mar. | 279,866          | 644,297        |
| Baltica             | 70,000           | 256,250        |
| Century             | 632,470          | 745,721        |
| Christiana Gen.     | 508,699          | 125,291        |
| Eagle, St. & Br. D. | 52,062           | 76,896         |
| Caledonian          | 75,180           | 2,159,002      |
| Commercl. Union     | 2,371            | 13,680         |
| Fuso M. & F.        | 90,000           | 105,000        |
| Fonciere            | 44,125           | 149,612        |
| General (Paris)     | 2,952            | 18,853         |
| Halifax             | 1,853            | 68,839         |
| Indem. Mut. Mar.    | 28,781           | 225,879        |
| Jupiter Gen.        | 70,000           | 166,180        |
| Kyodo               | 1,012            | 464,165        |
| London & Scottish   | 1,250,227        | 464,165        |
| Liv. Lon. & Globe   | 3,705            | 464,165        |
| Law Un. & Rock.     | 101,273          | 464,165        |
| Lon. Assur. Corp.   | 101,273          | 464,165        |
| Lon. & Prv. M. & G. | 209,858          | 759,677        |
| London & Lanc.      | 294,244          | 860,069        |
| Marine Ins.         | 3,249            | 66,954         |
| Maritime            | 3,000,701        | 70,747         |
| Meiji               | 14,230           | 48,819         |
| New Zealand         | 9,066            | 117,315        |
| North China         | 50,000           | 5,425          |
| New India As.       | 20,324           | 223,383        |
| Netherlands         | 33,739           | 362,151        |
| Norwich Union       | 703,808          | 62,190         |
| Northern Assur.     | 3,127            | 372,405        |
| Nor. Brit. & Merc.  | 112,066          | 996,871        |
| Ocean Marine        | 706              | 494            |
| Palatine            | 737,554          | 737,554        |
| Phoenix             | 5,893,578        | 5,523,335      |
| Prud. Re. & Coin.   | 7,985            | 220,897        |
| Queensland          | 10,301           | 63,859         |
| Royal               | 4,630            | 202,040        |
| Royal Exchange      | 72,217           | 312,227        |
| Rein. Co. Salaman.  | 822              | 14,335         |
| Reliance Marine     | 5,905            | 10,494         |
| Sea                 | 352,828          | 14,900         |
| Scot. Un. & Natl.   | 9,258            | 150,000        |
| South British       | 317,061          | 804,215        |
| Skandia             | 1,003,238        | 1,008,432      |
| Skandinavia         | 45,994           | 63,357         |
| Standard Marine     | 180              | 47,867         |
| Sun                 | 48,006           | 139,945        |
| Switzerland         | 333,563          | 459,243        |
| State As.           | 756,451          | 137,993        |
| Thames & Mersy.     | 10,000           | 79,022         |
| Union of Canton.    | 70,000           | 150,010        |
| Union, Eng. & Gen.  | 87,315           | 892,205        |
| Union Mar. & Gen.   | 288,456          | 2,185          |
| Un. & Phenix Esp.   | 10,264           | 369,335        |
| Urbaine             |                  | 34,977         |
| Un. Fire Ac. & Gen. |                  |                |
| Western As.         |                  |                |
| Yorkshire           |                  |                |

## Auto Carriers of Michigan Join to Stabilize Field

### LIVINGSTON IS THE SPONSOR

Move to Present Unified Front in Competition With the Outside Companies

LANSING, MICH., March 9.—An effort to stabilize automobile insurance in Michigan so far as the home carriers are concerned was launched at a conference here of representatives of a majority of the exclusive automobile writers domiciled in this state. The Automobile Club of Michigan Inter-Insurance Exchange, which writes more auto business than any carrier operating in this territory, was not represented, however.

The conference was called by Commissioner Livingston. Its purpose, he said, was to "talk over the automobile underwriting situation in the state." The commissioner, after addressing the group, admonishing them in regard to some of the outstanding evils of the business and urging a generally sounder underwriting policy during the current year, left the representatives of the carriers to themselves with the idea that they might feel disposed to work out some sort of unified plan for betterment of the business.

### Violent Competition

The commissioner condemned competition based on questioning the financial strength. Such methods, he said, react to the detriment of the entire business and should be abandoned, particularly during this period. He advocated caution in underwriting fleet business and warned against indiscriminate rate cutting.

A committee, headed by George G. MaDan, local insurance accountant, was appointed to analyze the Michigan automobile experience with the view of preparing an adequate rate, particularly for collision. Mr. MaDan will call another committee meeting, he said, when he feels some progress has been made.

The Michigan carriers have shown

(CONTINUED ON PAGE 9)

## Two Aero Companies to Be Liquidated and Will Retire

### IN BARBER & BALDWIN FLEET

G. L. Lloyd Gives Reasons for the Action of the Airplane Insurance Institutions

NEW YORK, March 9.—The two insurance company subsidiaries of the Aero Underwriters Corporation, the Aero Insurance Co., and Aero Indemnity, will be liquidated, after making provision for obligations to claimants and policyholders. The corporation is also owner of Barber & Baldwin, aviation underwriters, and the Aero Engineering & Advisory Service.

G. L. Lloyd, president of the Aero Underwriters and Barber & Baldwin, in submitting his report to the stockholders, said in part:

### Lloyd Gives Reasons

"In the latter part of the year the directors of the subsidiary insurance companies decided that, with a continuance of recession and adverse conditions of trade, it was no longer expedient to continue on the same basis as before the operations of these companies exclusively for aviation insurance, while on the other hand, expansion of their operations to other lines of insurance was not feasible in view of their limited capitalizations."

Barber & Baldwin, it has been announced, will be at 156 William street after March 21. It will occupy the entire first floor of the building formerly occupied by the Queen. The new location in the downtown insurance district will make it very convenient for brokers.

Mr. Lloyd states that Barber & Baldwin will continue without any change in policy. Contracts have recently been consummated with insurance companies not heretofore represented and therefore have increased the Barber & Baldwin fleet. He says that last year compared favorably with the previous year so far as volume of business was concerned for the firm.

The consolidated statement of the two Aero companies showed total income \$1,100,212, loss and loss expense \$209,188, general expense \$375,056, loss from sale of securities \$1,027,163, total outgo \$1,634,348, assets \$3,125,588, loss reserve \$274,200, premium reserve \$140,020, capital and surplus \$2,445,432.

## Hunt for State Revenue Interesting to Companies

NEW YORK, March 9.—A special session of the Michigan legislature has been called beginning March 29, the purpose being to raise additional revenue for the state. This recalls that other states are casting about for increased taxation, representatives of several being in this city interviewing bankers as to prospects for bond flotations. Financiers are giving scant encouragement, insisting expenditures be reduced. Insurance companies are decidedly interested in the general situation both as state and municipal bond investors and as subject to taxation upon their premium incomes and other items.

### J. L. Orr in New Post

Jack L. Orr has become associated with Jemison-Seibels Company, and the Birmingham Fire Insurance Company, specializing in insurance engineering and rating and all technical forms of insurance. For more than 10 years Mr. Orr was engineer in charge of the Alabama industrial, inspection and engineering department of the Southeastern Underwriters Association, and is widely known in those circles.

## THE WEEK IN INSURANCE

Three important matters involving company practice will engage the attention of the executive committee of the National Association of Insurance Agents in Cleveland March 21. **Page 3**

Ernest Sturm presents statistics showing that total fire insurance carried is \$178,000,000,000. **Page 3**

Agents and assureds are closely scanning companies' financial statements in view of depressed business conditions. **Page 3**

Sponsored by Commissioner Livingston, Michigan automobile companies form a conference to present a unified front in competition with outside companies. **Page 4**

G. H. Phillips, underwriting credit manager for the New York Board, advises underwriting each risk individually rather than on the basis of the class in an address under the auspices of the Insurance Society of New York. **Page 5**

Michigan Blue Goose held its annual meeting at Grand Rapids Tuesday of this week. **Page 5**

New York attorney urges that fiduciary relationship be defined by contract to clarify agent's connection in business in talk to Long Island Suburban Field Club. **Page 4**

The Aero Insurance Company and Aero Indemnity, both of New York, will be liquidated after paying all claims and obligations. **Page 4**

Increased automobile theft, fire and collision rates as well as liability in West Virginia are officially suspended by Commissioner Lawson. **Page 5**

Bureau of Personal Accident & Health Underwriters holds annual meeting. P. H. Rogers, Massachusetts Bonding, made chairman of governing committee. **Page 25**

Minority stockholders of the Southern Surety bring suit in New York City, claiming that the company has been damaged in excess of \$10,000,000 through its sale to the Home Fire of New York group. **Page 27**

New York's requirement that the demerit plan be applied to automobile public liability insurance has precedent in Maryland and Connecticut. **Page 25**

Situation disturbing in New Jersey, where agents complain of lack of facilities for extra hazardous compensation risks and see state fund as only alternative. **Page 27**

National Industrial Conference Board objects to the constant changes in state laws regulating workmen's compensation. **Page 27**

Grand jury at Dallas votes no bill in charges brought against Darby A. Day and J. B. McCutchan on complaint of irregularities through the manipulation of the Automobile Underwriters of that city. **Page 26**

Workmen's compensation losses cause tighter underwriting and companies' demand for more of plants' general lines; branch works out sound policy for business. **Page 25**

Proposed constitution and by-laws for Cook County Plate Glass Bureau are submitted to Chicago managers and general agents. **Page 26**



## W. H. Gabriel Elected Head of Michigan Blue Goose

### LIVINGSTON ADDRESSES POND

Commissioner Urges Avoidance of Invidious Comparisons of Company Statements—Vernor Toastmaster

GRAND RAPIDS, MICH., March 9.—More than one hundred fifty ganders of the rice fields of Michigan flocked here Tuesday for the annual meeting of the Michigan Blue Goose. Most Loyal Gander Ray N. Menzies of the Great American presided at the initiation and separated the pin feathers from Goslings L. J. McVoy, Richmond Fire; K. J. Scott, Firemen's; R. G. Henry and N. R. Weber, Western Adjustment; S. Syrett, Northwestern National, Paul Nieman, Monarch; S. E. Wentworth, Underwriters Adjusting; R. L. Jennings and F. W. Bueschlen, Michigan Inspection Bureau.

The report of Wielder W. T. Benallack, who is secretary of the Michigan F. & M. showed an increase in membership, finances, and life insurance.

W. H. Gabriel, National, was elected most loyal gander; C. B. Burr, Westchester, supervisor; Lloyd W. Clark, Atlas, custodian; E. P. Rogers, Caledonian, guardian; G. P. Kessberger Citizens, keeper; Mr. Benallack, wielder. Mr. Gabriel and Mr. Benallack are delegates to the grand nest, Mr. Benallack being elected a permanent delegate.

#### Vernor Toastmaster

Laurence Smith, Grand Rapids attorney, was scheduled to be toastmaster but due to sickness was unable to be present and R. E. Vernor, Western Actuarial Bureau, filled the breach on short notice in a most satisfactory degree.

Mr. Benallack spoke for the grand nest touching on features of the meeting at Milwaukee. He presented Mr. Menzies with a jeweled Blue Goose emblem, and a silver anniversary emblem to gander A. C. Gilbert.

Assistant Fire Marshal Fred Higgins of Grand Rapids spoke on fire prevention in his characteristic and humorous manner. P. J. V. McKian, Western Actuarial Bureau, spoke on the life insurance of the Blue Goose, emphasizing the importance of all eligible ganders availing themselves of this desirable protection.

Commissioner C. D. Livingston urged the members to avoid any invidious comparison of company statements. John T. Harding, Millers National who is head of the Illinois pond stressed the value of Blue Goose fraternalism.

Detective Sergeant George Smith of the arson squad of Detroit, gave an instructive talk on what his department is doing.

While the attendance was slightly less than in former times the meeting was one of the most enthusiastic and enjoyable of many years.

During the morning the Michigan field club and the Michigan Fire Underwriter Association held their meetings.

### Imposes Stiff Penalties

NEW YORK, March 9.—On conviction of violating the New York rating law, Superintendent Van Schaick has imposed penalties as follows: Gruber agency, \$850; C. W. Sparks & Co., \$350; Whitehall agency, \$600; Sun Insurance Office, \$500; Sun Indemnity, \$100, and Indemnity of North America, \$350. The violations occurred subsequent to last June 1. The department is continuing its investigation of all complaints, determining in the interest of sound insurance that the laws be strictly observed.

The Philip L. Buxbaum agency, New Haven, Conn., has been incorporated by Mr. Buxbaum, M. L. Schwartz and P. L. Buxbaum, Jr.

## Advices Underwriting Each Risk on Individual Merit

### IGNORE CLASS EXPERIENCE

D. H. Phillips Emphasizes the Factor of Credit Standing in Accepting Lines

Advice to underwriters to view each risk individually rather than to base judgment on the experience of the class as a whole, was given by G. H. Phillips, underwriting credit manager for the New York Board, in an address under the auspices of the Insurance Society of New York. Although some classes are more susceptible to fires from a physical standpoint, the rate should take care of this element, he said.

Mr. Phillips said that financial condition is the most important element in determining moral hazard. Information in this direction and the ability to interpret it are needed on the part of the underwriter, he said. The underwriter of tomorrow, according to Mr. Phillips, will be a good credit man as well as a good insurance man.

#### Good Business in Bad Classes

Much good business, he said, exists in those classes which have heretofore been considered undesirable and much poor business can be eliminated from those classes which have been considered desirable. Considerable good business, he declared, is lost by refusing risks solely on the experience of the class. One company has been making money writing fur business, because it has based its judgment almost entirely on the credit standing of the assured, Mr. Phillips asserted.

Mr. Phillips condemned the practice of underwriting solely on the record of a broker's experience. A broker is in no position to secure the necessary information for determining a good or bad risk. The broker is interested only in whether the assured will pay the premium. His job is to get customers and he should not be forced to do the underwriting. "While you are looking at the

(CONTINUED ON PAGE 9)

## Home's General Manager in Chicago Succumbs



JACOB K. LESCH

Jacob K. Lesch, general manager of all the Chicago activities of the Home of New York, died in his room at the Morrison hotel of an apoplectic stroke at the age of 62. While death was sudden and a shock to his friends, Mr. Lesch had been in poor health for almost a year. Last summer he suffered a stroke. This winter he took a month's vacation on the coast and shortly after suffered a second stroke, which impaired his legs.

However, he had been at his desk for the last few weeks and had worked late the evening before his death and had entertained friends at dinner.

Funeral services were held in Chicago Monday afternoon and were attended by a large number of insurance men. Burial was at Goshen, Ind., Wednesday. Vice-president John A. Campbell of the Home planned to attend the Chicago services, representing the head

(CONTINUED ON PAGE 32)

## Lawson Orders Suspension of Auto Fire, Theft Rates

### WEST VIRGINIA TAKES STEP

Commissioner Bases Action on Same Ground as in Outlawing Increased Liability Tariff

Shortly after ordering suspension of increased automobile liability rates in West Virginia on the ground that the National Bureau of Casualty & Surety Underwriters was not properly elected in that state, Commissioner Lawson took the same action in regard to fire, theft and collision rates on the ground that the National Automobile Underwriters Association is not properly qualified.

#### Refuses Plan for Hearing

The automobile association had asked the West Virginia department for a hearing on the increased fire and theft rates, but Mr. Lawson replied that it would be "useless" to hold a hearing because the association had not yet asked the secretary of state for authority to transact business in West Virginia, as required by the code.

"We are convinced," Mr. Lawson declared, "that the proposed rates are unjust and cannot be supported by facts or experience. We have unearthed evidence that many of the companies have been cutting the present rates by the practice of issuing equity certificates to favored people. It has been the practice of these companies to issue special rates amounting to almost 40 percent discount in certain lines."

"Apparently the reckless competition between agents and companies has driven them to ignore the state insurance laws, which are to insure an equitable and just rate for all citizens, instead of cut rates to a favored few at the expense of the majority."

Harold DeC. Miller, 43 assistant engineer of the Boston Board, connected with the department of sprinklered risks, died at a Boston hospital. He had been with the board for several years.

## FIGURES FROM DECEMBER 31, 1931, STATEMENTS FIRE COMPANIES

|                      | STOCK COMPANIES |                        |             |            |           |                         |             |                           |
|----------------------|-----------------|------------------------|-------------|------------|-----------|-------------------------|-------------|---------------------------|
|                      | Assets          | Gain or Loss in Assets | Reins. Res. | Capital    | Surplus   | Gain or Loss in Surplus | Losses Paid | Net Prem. Percent         |
| Amer. Merch. Mar.    | 1,929,579       | 353,641                | 609,378     | 130,241    | 400,000   | 567,160                 | 186         | 812,828 46.9              |
| American Reserve     | 4,854,698       | -1,116,674             | 1,800,317   | -1,064,487 | 1,000,000 | 1,259,277               | -343,863    | 1,586,372 98.3            |
| Amer. States, Ind.   | 798,329         | 202,641                | 219,157     | 8,480      | 200,000   | 132,692                 | 9,685       | 230,947 36.0              |
| Atlantic, N. C.      | 569,956         | -44,927                | 176,183     | -56,182    | 250,000   | 110,029                 | 10,955      | 31,813 176,615            |
| Automobile, Conn.    | 20,710,440      | -635,248               | 5,287,956   | -9,330     | 5,000,000 | 4,992,482               | -2,008,180  | 3,587,264 6,992,768 51.3  |
| Birmingham, Pa.      | 589,630         | -15,314                | 86,619      | -51,618    | 200,000   | 277,873                 | 26,000      | 31,820 34,870 91.0        |
| California           | 4,910,981       | -432,130               | 1,942,825   | -158,256   | 1,000,000 | 1,605,583               | -295,094    | 922,774 1,738,093 54.0    |
| Camden, N. J.        | 13,007,413      | -234,300               | 4,979,761   | -344,070   | 2,000,000 | 4,970,211               | 149,151     | 2,824,759 5,088,569 55.5  |
| Central, Md.         | 3,803,811       | -132,706               | 1,349,975   | 8,579      | 1,000,000 | 826,140                 | -584,529    | 443,657 1,002,847 44.0    |
| Commer. Stand., Tex. | 1,233,786       | -241,278               | 351,492     | -84,432    | 400,000   | 258,770                 | -103,735    | 594,807 667,026 89.1      |
| Detroit F. & M.      | 4,249,580       | 324,675                | 1,324,264   | 416,548    | 1,000,000 | 1,635,126               | -159,522    | 403,221 1,267,741 31.8    |
| Fire Reas., Conn.    | 3,814,431       | -251,657               | 1,606,619   | -942,416   | 400,000   | 1,028,825               | 426,926     | 1,810,775 2,052,404 88.2  |
| Jupiter Schuyler     | 533,097         | 57,558                 | .....       | .....      | 200,000   | 249,327                 | -9,944      | 7,536 103,030 8.9         |
| Homeseekers Fire     | 247,980         | -15,785                | 12,835      | 2,654      | 200,951   | 29,755                  | -22,831     | 2,534 11,597 21.8         |
| Illinois Fire        | 942,596         | -237,864               | 315,626     | -20,435    | 200,000   | 403,550                 | -202,385    | 77,694 193,430 40.2       |
| Industrial, Texas    | 757,227         | -16,705                | 83,192      | -198,348   | 300,000   | 134,277                 | 4,253       | 297,922 359,234 83.0      |
| Jupiter General      | 706,780         | 68,990                 | 74,945      | 71,840     | .....     | 532,630                 | -74,580     | 2,869 103,230 ....        |
| Kyodo Fire           | 1,162,435       | 3,003                  | 408,408     | -55,404    | .....     | 434,933                 | -136,742    | 233,410 366,535 63.0      |
| Law Union & Rock.    | 2,638,981       | -96,843                | 1,192,153   | -96,309    | .....     | 815,993                 | -409,502    | 416,910 883,069 47.0      |
| Liberty, Ky.         | 857,468         | 24,256                 | 64,623      | 9,240      | 500,000   | 142,890                 | -27,961     | 5,811 49,747 11.0         |
| Lincoln Fire, N. Y.  | 5,288,837       | 1,129,060              | 2,028,776   | -323,816   | 1,000,000 | 1,117,446               | 452,563     | 2,619,132 1,724,676 151.5 |
| Lion, N. Y.          | 917,834         | -39,699                | 368,103     | -81,772    | 200,000   | 285,083                 | 76,901      | 219,897 301,446 82.0      |
| London Assur.        | 7,404,160       | -421,509               | 3,396,599   | -159,578   | .....     | 1,509,198               | -1,379,950  | 1,976,801 3,702,701 53.3  |
| London & Lancash.    | 8,357,031       | -247,759               | 3,730,574   | -132,473   | .....     | 3,071,407               | -1,064,586  | 1,387,748 4,020,991 45.0  |
| London & Scottish    | 1,789,399       | -20,595                | 534,954     | -100,240   | 400,000   | 744,355                 | 121,119     | 206,641 406,325 51.0      |
| Manhattan F. & M.    | 2,334,221       | 79,450                 | 693,388     | 60,549     | 1,000,000 | 115,984                 | -423,119    | 292,585 645,460 45.3      |
| Metropolitan, N. Y.  | 730,288         | 215,944                | 280,350     | 327,062    | 200,000   | 218,293                 | -50,513     | 142,504 359,823 25.4      |
| National Union       | 17,164,545      | -5,122,435             | 8,679,335   | -3,321,171 | 2,750,000 | 1,610,626               | -763,645    | 7,503,160 8,571,514 87.5  |
| Orient               | 7,059,282       | -316,321               | 2,886,069   | -152,626   | 1,000,000 | 1,672,490               | -1,036,331  | 1,051,166 2,149,861 50.0  |
| Pearl Assur.         | 2,262,743       | -20,829                | 757,710     | -231,689   | .....     | 1,231,373               | 113,546     | 444,073 594,034 75.0      |
| Prudential, Eng.     | 4,403,629       | 48,536                 | 1,572,245   | -122,506   | 500,000   | 1,202,615               | -583,192    | 824,451 1,542,036 53.4    |
| Rossia               | 11,576,317      | -4,195,398             | 4,245,941   | -2,292,453 | 1,500,000 | 3,119,921               | 117,234     | 5,440,193 5,686,379 95.6  |
| Safeguard, Conn.     | 2,419,775       | -35,402                | 580,009     | -63,105    | 500,000   | 916,992                 | -275,983    | 221,032 423,492 52.0      |
| Security Nat., Tex.  | 743,256         | 128,559                | .....       | .....      | 250,000   | 234,029                 | -46,901     | 197,858 223,863 90.0      |
| Standard, Conn.      | 4,682,231       | 719,432                | 1,763,773   | 125,452    | 1,000,000 | 1,372,328               | 315,822     | 763,380 1,635,940 46.7    |
| Standard Marine      | 4,063,459       | -177,750               | 378,904     | 32,178     | 400,000   | 1,947,135               | -557,913    | 379,278 937,423 40.4      |
| Texas Nat.           | 250,000         | 531,306                | .....       | .....      | .....     | 215,193                 | -17,382     | 52,954 90,478 59.0        |
| Union & Phen. Exp.   | 2,248,048       | -72,766                | 975,437     | -16,507    | .....     | 664,939                 | -341,200    | 451,047 796,920 57.0      |
| Universal, N. J.     | 3,979,498       | -554,886               | 1,753,496   | -52,772    | 1,000,000 | 652,659                 | -150,315    | 1,474,197 2,224,072 66.0  |
| Urbaine              | 4,796,408       | -1,254,237             | 2,456,907   | -620,726   | .....     | 688,314                 | -1,486,450  | 1,497,947 2,058,013 74.8  |
| Western Fire, Kan.   | 1,389,017       | -84,193                | 303,248     | -32,788    | 500,000   | 488,738                 | -53,031     | 276,521 395,481 69.9      |

\*Incurred.



THE SATURDAY EVENING POST

The "breeze" that did this didn't make the headlines



NOT a tornado, not a hurricane, just a bit of a blow that might happen anywhere and any time. Yet the damage it caused would have cost plenty—except that the owner of this property was protected with ample ALLIANCE Windstorm Insurance.

Ask your  
**ALLIANCE**  
Agent

The above advertisement appears March 19 in the Saturday Evening Post. Many of your clients and prospects will see this. Make March a *Windstorm Month*.



## THE ALLIANCE INSURANCE COMPANY OF PHILADELPHIA

Head Office: 1600 Arch Street, Philadelphia

CHICAGO  
209 W. Jackson Blvd.

SAN FRANCISCO  
231 Sansome Street

## VIEWED FROM NEW YORK

By GEORGE A. WATSON

### FIRE LOSS CLASSIFICATION

On and after Jan. 1, 1933, the actuarial division of the National Board will file the annual fire loss classification with the New York department in addition to the nine other states to which it has been reporting for some years. When the National Board reduced its classification listing from 151 to 26 in 1928, the New York department refused to accept its figures further, insisting that it be supplied with five additional classes. These had been furnished for the past four years by the New York Fire Insurance Rating Organization. The further classes required will be supplied in future by the National Board, relieving the state body of the labor. For the states demanding special classifications the information is furnished for the most part by the companies direct to the departments.

### EXAMINERS HEAR CREDIT TALK

"Credit and Hard Times" was the subject of an address by Dr. S. I. Mil-

ler, director of economics of the R. G. Dun & Co. mercantile agency, before members of the New York City Fire Insurance Examiners Association. F. R. DuBois of Frank & Dubois spoke on the relation of the insurance broker and the company.

### GEORGE L. CUTTER DIES

George L. Cutter, 83, formerly head of George L. Cutter, Inc., insurance brokers in New York, died at his home in East Orange, N. J., after a short illness. Mr. Cutter was in the insurance field for more than 50 years.

### NEW RULE ADOPTED

Under a rule recently adopted by the Eastern Underwriters Association, effective from March 1, agents throughout the organization's jurisdiction must submit to local stamping offices all cancelled policies to see that earned premiums have been properly figured. Companies must see that they are collected.

## Three Subjects To Be Discussed

(CONTINUED FROM PAGE 3)

get-together dinner and include theater parties, a trip through the new Terminal group of buildings with the broadcasting station WHK and the observation porch, bridge parties and luncheons. A special feature for visiting ladies will be a shopping tour and luncheon. The whole general entertainment program will end up with a sight-seeing tour of Cleveland and suburbs on Mar. 24.

It has been suggested that all visitors make hotel reservations direct with the Hotel Cleveland, which has guaranteed favorable reservations for all. That hotel will be headquarters while the Mid-Day Club will be the scene of the banquet.

### Cleveland Committees

W. J. James of the Cleveland Insurance Agency is generalissimo of the meet. Committees are as follows:

Reception—W. E. Fickinger, chairman, O. G. Strong, M. H. Wilson, A. S. Forsch, K. H. Sebelin, R. A. Oswald and Harold Henry.

Publicity and Information—C. G. Hale, chairman, A. D. Gale, D. C. Penn and Arthur Crofts.

Entertainment—C. O. Ransom, chairman, H. L. Grider, A. E. Hendricks, G. C. Simpson, Wm. James and C. H. Parsons.

Attendance—F. B. Ayer, chairman, I. G. Beren, J. W. Barrett, G. E. Corby, E. S. Davis, Henry Frankel, A. W. Henry, D. E. Herren, B. C. Hing, J. L. Pettibone and F. J. Skeel.

Automobile and Transportation—C. L. Krum, chairman, S. B. Sherman and Brice Ketchum.

Registration—Thos. C. Goss, chairman, C. B. Hawkins and L. S. Asling.

Ladies—Chas. H. Parsons, chairman, E. J. Freer and Chas. F. Kees.

Finance—Chas. W. Davis, chairman, Arthur Lloyd and W. I. Keetch.

## Assureds, Agents Studying Statements of Companies

(CONTINUED FROM PAGE 3)

can but does explain lucidly the meaning of intricate forms of coverage, and otherwise shows an active interest in the problems of the local man, his company is sure to receive favorable consideration in the general review of the agent. In these days of stress the worth of the field man as well as of his company is being carefully weighed in the balance.

A. F. Schultz, Green Bay, Wis., local agent, has filed a voluntary petition in bankruptcy in federal court.

## INSURANCE STOCK QUOTATIONS

By H. W. Cornelius of Morrison & Townsend, 208 South La Salle St., Chicago, as of March 7

| Stock                | Par   | Share | Bid    | Asked  |
|----------------------|-------|-------|--------|--------|
| Aetna Cas. ....      | 10    | 1.60  | 38     | 42     |
| Aetna Fire ....      | 10    | 2.00  | 31     | 32     |
| Aetna Life ....      | 10    | 1.20  | 27     | 29     |
| American, N. J. .    | 5     | .80   | 10 1/2 | 12     |
| Amer. Surety ....    | 25    | ...   | 19     | 21     |
| Automobile, Conn.    | 10    | ...   | 18     | 20     |
| Baltimore Amer. .    | 2.50  | .40   | 3 1/4  | 4 1/2  |
| Boston ....          | 100   | 16.00 | 360    | 390    |
| Carolina ....        | 10    | 1.50  | 16     | 18     |
| City of N. Y. ....   | 100   | 16.00 | 145    | 165    |
| Continental Cas. .   | 10    | 1.60  | 16     | 18     |
| Continental Ins. .   | 10    | 2.40  | 24     | 26     |
| Fid.-Phenix ....     | 10    | 2.60  | 26     | 28     |
| Fire Assn. ....      | 10    | 1.60  | 8      | 10     |
| Fireman's Fund. .    | 25    | 5.00  | 45 1/4 | 48     |
| Fireman's F. Ind. .  | ...   | ...   | 20     | 25 1/4 |
| Firemen's ....       | 10    | 1.20  | 10     | 12     |
| Franklin ....        | 5     | 1.60  | 17     | 19     |
| Glens Falls ....     | 10    | 1.60  | 35     | 37     |
| Globe & Rutgers. .   | 100   | 20.00 | 255    | 275    |
| Great Am. Fire. .    | 10    | 1.60  | 15     | 17     |
| Great Amer. Ind. .   | 10    | ...   | 9      | 11     |
| Halifax ....         | 10    | 1.20  | 14     | 16     |
| Hanover ....         | 10    | 1.60  | 23     | 25     |
| Harmonia ....        | 10    | 1.80  | 16     | 18     |
| Hartford Fire. .     | 10    | 2.00  | 40     | 42     |
| Home E. & M. ....    | ...   | ...   | 21     | 25     |
| Home, N. Y. ....     | 10    | 2.00  | 22     | 24     |
| Homestead ....       | 10    | 1.30  | 13     | 15     |
| Ins. Co. of N. A. .  | 10    | 2.50  | 36     | 38     |
| Linc. Fire, N. Y. .  | 10    | 1.60  | 8      | 10     |
| National Cas. ....   | 10    | 1.20  | 10     | 12     |
| National Fire ....   | 10    | 2.00  | 38     | 40     |
| National Liberty .   | 5     | .40   | 4 1/2  | 5 1/2  |
| National Surety. .   | 50    | ...   | 12     | 14     |
| National Union. .    | 50    | ...   | 25     | 35     |
| New Brunswick. .     | 10    | 1.80  | 16     | 18     |
| New Hampshire. .     | 10    | 2.00  | 38     | 42     |
| No. Amer. Life. .    | 5     | 1.00  | 8      | 10     |
| North River ....     | 5     | 1.00  | 12     | 14     |
| N. W. National. .    | 25    | 5.00  | 72     | 85     |
| Occidental ....      | 10    | ...   | 11 3/4 | 12 1/4 |
| Pacific Mut. Ind. .  | 10    | 2.40  | 38 1/4 | 40     |
| Phoenix, Conn. .     | 10    | 2.00  | 49     | 52     |
| Prov. Wash. ....     | 10    | 2.20  | 30     | 31     |
| Public Fire ....     | 5     | ...   | 2      | 3      |
| Public Indemnity .   | 5     | ...   | 1      | 2      |
| Rossia ....          | 5     | ...   | 6      | 7      |
| Sun Life ....        | 100   | 25.00 | 440    | 480    |
| Security Fire ....   | 10    | 1.40  | 21     | 23     |
| Springfield F. & M.  | 25    | 4.50  | 72     | 77     |
| St. Paul F. & M. .   | 25    | 6.00  | 110    | 115    |
| Travelers ....       | 100   | 22.00 | 515    | 535    |
| U. S. Casualty ....  | 12.50 | ...   | 12     | 15     |
| U. S. Fire ....      | 10    | 2.00  | 21     | 23     |
| U. S. Fid. & Guar. . | 10    | ...   | 5 1/4  | 7      |
| Westchester Fire .   | 2.00  | ...   | 22     | 24     |

\*Extra dividend paid.

The American Colony of New York has been licensed in California, with Fred Spear of Los Angeles as general agent.

Young woman, ten years insurance experience, principally automobile insurance underwriting and claim adjusting, knowledge of bookkeeping, executive ability, desires to make connection with insurance company or agency. Last position company failed. Address W-13, The National Underwriter.

## NEWS OF THE COMPANIES

### American Reserve's Figures

**Reinsurance Company Has Underwriting Profit of \$406,926 in 1931, President Boss States**

President T. B. Boss of the American Reserve of New York, the reinsurance company, in presenting its annual statement finds that though the volume of premiums decreased the fire loss also decreased. The year gave an underwriting profit of \$406,926. The earnings from interest amounted to \$273,525. Its assets are \$5,016,242, premium reserve \$1,800,317, security valuation reserve \$450,000, capital \$1,000,000, net surplus \$1,259,278. Before setting up the security valuation reserve its net surplus increased more than \$100,000. President Boss said:

"In normal times we always seek to maintain or increase our volume of business, but during the year of uncertain trend we have followed the more conservative policy of permitting our insurance liabilities to decrease, releasing some of the equities in reserves rather than move from our exceptionally strong position of having a capital and surplus greater in amount than our entire liabilities, thus offering more than double protection to our clients. That financial stability is more carefully considered than ever before by companies with whom we transact business is evidenced by the fact that we have been able to make definite arrangements for conservatively increasing our volume."

### Occidental Takes Over the Nevada Fire's Agency Plant

SAN FRANCISCO, March 9.—The Occidental has taken over all the outstanding agency business of the Nevada Fire, excluding all automobile liability which the Nevada had reinsured and which is understood to have been otherwise disposed of.

The Nevada Fire for several years has operated in Nevada and California through the general agency of Henley & Scott, San Francisco. That firm has also been general agent for the Occidental in the same field and will so continue.

The Nevada Fire is an old established institution, organized in Carson City in 1911 and removed to Reno in 1916. For several years the Nevada has had extensive reinsurance affiliations with the Fireman's Fund group and "it is, therefore, but natural that the association should be continued and enlarged by the more complete reinsurance now effected," says the announcement.

### Merchants of Denver Statement

If the Merchants Fire of Denver had elected to use Commissioners Convention security figures as of June 30, assets shown in the annual statement would have remained practically unimpaired, and the figures actually used (as of Dec. 31, 1931) indicated a shrinkage in the bond account of only \$60,000.

Total assets are \$1,764,231, compared with \$1,846,349 in 1930. Market value of government, school and municipal bonds is shown as \$1,240,765. This item amounted to \$1,303,440 the previous year. Since the company began business in 1904 last year was the first time any drop in total assets was shown, according to J. R. Gardner, president. The appointment of Hazel O'Neill as assistant secretary is announced.

### Monarch Fire's Statement

The annual statement of the Monarch Fire of Cleveland shows assets \$3,874,729, premium reserve \$1,620,036, capital \$1,000,000, net surplus \$883,895.

Ralph Rawlings, president, is one of the best known insurance men in the country.

### Kansas City F. & M. Figures

The Kansas City Fire & Marine has issued its annual statement showing assets \$1,259,222, premium reserve \$148,184, voluntary reserve \$25,000, capital \$500,000, net surplus \$525,142. The point is made there has been no default in

principal or interest of any securities owned. This company is managed by R. B. Jones & Sons of Kansas City, the well known local agents. Cliff C. Jones, chairman of the board, M. T. Jones, president, and R. B. Jones, chairman of the executive committee, are all prominent members of the firm.

### American Advances Two

The American of Newark has advanced Daniel T. O'Connor, for five years with the company, to auditor and William F. Bartel, for 23 years with the company, is now statistician. In celebration of the promotions a dinner was

given Saturday evening at which A. C. Cyphers, treasurer of the American, acted as toastmaster. President C. Weston Bailey was the guest of the evening.

### Farm Mutual to Be Closed

The affairs of the Mount Carroll Mutual County Fire of Mt. Carroll, Ill., a farm mutual, have been referred to the Illinois attorney general for dissolution.

### Miscellaneous Company Notes

The All-State of Chicago has been licensed in Kentucky.

The Rocky Mountain Fire of Great Falls, Mont., has retired from Illinois.

## *The Connecticut Fire Insurance Company, Hartford, Conn.*

In the statements submitted to the several States this year the figures representing the resources of this Company, valued on the basis of what is known as the Connecticut formula, are as follows:

|  |                  |
|--|------------------|
| Assets, - - - - -  | \$ 20,322,840.20 |
| Liabilities, - - - - -   | 9,461,407.52     |
| (Including customary reserves, as well as reserve to adjust security holdings to true value December 31, 1931) |                  |
| Capital, - - - - -   | 2,000,000.00     |
| Surplus, - - - - -   | 8,861,432.68     |
| Surplus to Policyholders, - - - - -  | 10,861,432.68    |

On the basis of market values of December 31, 1931, the items quoted above are as follows:

|                                     |                  |
|-------------------------------------|------------------|
| Assets, - - - - -                   | \$ 17,382,820.20 |
| Liabilities, - - - - -              | 8,470,024.52     |
| Capital, - - - - -                  | 2,000,000.00     |
| Surplus, - - - - -                  | 7,412,795.68     |
| Surplus to Policyholders, - - - - - | 9,412,795.68     |

Because of the serious situation confronting the affairs of all classes of corporations, we believe that agents generally realize the necessity of making a careful study of the financial condition and character of the companies they represent. The price of Stock Insurance is pretty much the same, generally speaking, and buyers of insurance who entrust the selection of companies to their agents have a right to expect that they will be given the best indemnity that the market affords. We have good reasons for believing that in a larger measure than ever before people are investigating the financial standing of the companies whose policies they are given.

*Edw. Billigan*  
President.



# AMERICAN INDEMNITY COMPANY GALVESTON

J. F. Seinsheimer, President

COMPLETE  
AUTOMOBILE PROTECTION  
FIDELITY  
AND  
SURETY BONDS

Desirable  
general agency  
contracts  
available in  
unallotted territory

**S**—  
AFETY  
SATISFACTION  
SERVICE

Whatever any  
other companies  
do for their agents  
within the bounds of  
sound, ethical business  
and good underwriting  
practice, we will do.

FIRE  
WINDSTORM  
AUTOMOBILE INSURANCE

AMERICAN  
INDEMNITY  
COMPANY  
GALVESTON

## Illinois License Law Rulings

The Illinois department has made some rulings on the recently enacted license law.

Where there is an interchange of business between agents it must be by mutual reciprocation. If business is placed by Agent A through Agent B and Agent B does not reciprocate, Agent A must have a broker's license.

Where a policy is written in connection with the sale, service, storage or transportation of commodities, the underlying policy must be signed by a licensed resident agent. If no brokerage is paid the sales or storage agency, it need not secure an agent or broker's license.

Where an institution has gone in the hands of a receiver and is being liquidated, and was conducting an insurance agency, the receiver or trustee may qualify as an agent or broker for transacting insurance for the benefit of creditors during the receivership term.

As to exemption of farm mutual agents, the department interprets this

phrase to mean district mutual, county mutual and township mutual fire companies and county mutual and district mutual windstorm companies. This classification will be used in the exemption clause.

As to automobile sales agencies and finance concerns, if no commission or valuable consideration is received, a license need not be required. The underlying policy and individual certificate must be signed by a licensed agent. If the automobile concern solicits other insurance than is required under the sales contract a license must be secured.

As to bank agencies, the department will license such as an agent or broker but the bank must specify not less than two persons who shall be designated and qualified to act for the bank. The former practice of issuing a license to an officer or employee will be discontinued. The bank must apply and qualify in its own name, designating two or more persons as required by law and they must answer the questionnaire.

## Some Changes Proposed in the Internal Revenue Act

WASHINGTON, D. C., March 9.—Insurance corporations, in common with those in other lines of industry, will pay taxes on income at the rate of 13 percent next year, instead of the present 12 percent rate, under the terms of the new revenue bill reported to the House of Representatives March 7 by the ways and means committee.

In dealing with deductions for dividends, the committee authorized the deduction from domestic companies only when they are subject to taxation under the insurance title, other than

corporations entitled to the benefits of section 251 of the law, this provision being amended to read: The amount received as dividends (A) from a domestic corporation which is subject to taxation under this title, other than a corporation entitled to the benefits of section 251, etc.

### Exemption Is Changed

As in the case of other corporations, the specific exemption for insurance corporations is reduced from \$3,000 for companies having net income of \$25,000 or less to \$2,000 for companies having net income of \$10,000 or less.

The same changes with respect to corporation tax rate and specific exemptions are made in the provisions dealing with insurance companies.

## AMERICAN RESERVE INSURANCE COMPANY

85 JOHN STREET :: NEW YORK, N. Y.

T. B. BOSS, President

A. T. TAMBLYN, V.-P. & Sec.

J. W. COCHRAN, Vice-President

E. L. MULVEHILL, Treasurer

### FINANCIAL STATEMENT

January 1, 1932

#### ASSETS

|                                   |                |
|-----------------------------------|----------------|
| Cash .....                        | \$ 249,914.67  |
| *Bonds and Stocks .....           | 4,195,115.26   |
| Balances Due from Companies ..... | 542,942.58     |
| Accrued Interest .....            | 28,269.39      |
|                                   | <hr/>          |
|                                   | \$5,016,241.90 |

#### LIABILITIES

|  |                |
|--|----------------|
| Premium Reserve .....  | \$1,800,317.27 |
| Loss Reserve .....   | 329,104.00     |
| Balances Due to Companies .....                                | 161,543.09     |
| All Other Liabilities .....                                    | 16,000.00      |
| Reserve for Security Values<br>(Voluntary, not required) ..... | 450,000.00     |
| Capital .....  | \$1,000,000.00 |
| Net Surplus .....  | 1,259,277.54   |
| Surplus to Policyholders .....                                 | 2,259,277.54   |
|  | <hr/>          |
|  | \$5,016,241.90 |

\*Insurance Commissioners' Valuations.

REINSURANCE EXCLUSIVELY

## Changes in the FIELD

### William J. Nolan Resigning

Chicago Office of Meserole Companies  
Will Be Closed and Business  
Handled From New York

William J. Nolan, western field supervisor of the Pacific, Bankers & Shippers and New Jersey, with headquarters in Chicago, is resigning and the Chicago office of these companies will be closed. The business formerly handled through the Chicago office will in the future be taken care of directly from the head office in New York.

Mr. Nolan will make an announcement of a new connection shortly. He is known throughout the middle west and country-wide, and he has always been an aggressive business producer. He built up a substantial business for the three Meserole companies in the west. Prior to forming the connection which he is now resigning, Mr. Nolan was for some years Illinois special agent of the American of Newark and traveled the same field for the Glens Falls, later becoming manager of the Chicago brokerage department of the Glens Falls. During the time that he traveled in the field Mr. Nolan served a term as president of the Illinois State Board.

G. G. Carick, A. E. Duncan, Jr.

G. G. Carick has been appointed special agent in northeastern Pennsylvania for the Glens Falls. He succeeds A. E. Duncan, Jr., who is transferred to southeastern Pennsylvania where he will represent the Glens Falls Indemnity and Commerce Casualty as well. The headquarters of both Mr. Carick and Mr. Duncan are at 109 South Fourth St., Philadelphia.

B. E. Moreau

B. E. Moreau, who has been state agent for the St. Paul Fire & Marine in the mountain field, has been named general adjuster to succeed the late C. D. Hayes.

A dinner will be given him by his friends in the mountain field at Denver, March 14. Mr. Moreau became state agent and adjuster in Colorado, Wyoming and New Mexico for the Saint Paul in 1912. Before that he was with the Columbia Fire Underwriters at Omaha.

### Three Bad Losses at Bloomington

Officials from the state fire department and representatives of the city administration are investigating three fires at Bloomington, Ill., which occurred during the last week. The latest was the burning of Holy Trinity Catholic church with a loss of \$300,000. The Jefferson school burned, causing a loss of \$75,000. Last Saturday buildings of Bon-Go park were destroyed causing a \$50,000 loss.

### Cohoon Killed in Crash

J. L. Cohoon, manager Duluth branch of Cohoon, Supornick & Hitchcock, adjusters for the assured, and son of the late John Cohoon, for many years a prominent independent adjuster of St. Paul, well known throughout the northwest, was instantly killed in a head-on auto crash near Forest Lake, Minn.

### Des Moines Mutuals Merge

DES MOINES, March 9.—The Farmers Mutual Hail of Des Moines, writing hail, tornado and automobile insurance, has reinsured all the business of the General Mutual of this city, writing automobile, fire and tornado.



## Advises Underwriting Each Risk on Individual Merit

(CONTINUED FROM PAGE 5)

broker's card," he said, "and calculating that his business is profitable, a fire may be in progress which will wipe out the profit on previous business and leave his account so far in the red that he would not be out of it for the rest of his life."

### Commercial Rating Books

Mr. Phillips warned against putting too much trust in commercial rating books. These ratings, he declared, are made from the standpoint of mercantile credits. All good credit risks, he said, are not necessarily good fire risks, nor is every poor credit risk a poor fire risk. For instance, a person who has submitted a financial statement and obtained a good rating, may have an exceptionally large inventory and heavy liability, but has considerable valuable securities, more than enough to enable him to retire his liabilities, even in a falling market. On this statement, the agency would give him a good credit rating. However, the underwriter would not consider him a preferred risk from the fire standpoint as a top heavy inventory and excessive liabilities are dangerous.

### Timeliness Factor

Another criticism of the rating book is that information does not always reflect the condition at the time the underwriter is considering acceptance of a line. This is true especially today. Recognizing that weakness, credit men in various industries established agencies specializing in their particular line. The credit bureau of the New York Board has direct contact with these agencies, representing all of the main industries in the metropolitan area.

The credit bureau of the New York Board does not pretend to say whether a concern is a poor fire risk but brings to the attention of the underwriter the undesirable features. A poor credit risk, he said, can be offset only by positive favorable elements.

The bureau of the New York Board submits questionnaires to all concerns on which a request has been made by a member of the board. Statements are returned by about 85 percent of those questioned, on which the agencies had no information. Most of the firms which hesitate to furnish statements to agencies and insurers do so because they are in poor financial condition, he said. Concerns refusing to give information have 15 times as many fires as those who furnish statements, he declared.

Mr. Phillips recalled that after a recent fire, the credit statement of the insured was found to have been materially false. A clear cut verdict by the federal court jury in favor of the companies was obtained. They found that the statement submitted on which the insurance company relied was false and that it constituted fraud and misrepresentation, avoiding the policy.

## Auto Carriers of Michigan Join to Stabilize Field

(CONTINUED FROM PAGE 4)

little disposition to stand together in the past in competing with the big outside fire companies which are strongly entrenched with the Michigan Association of Insurance Agents. Members of the National Automobile Underwriters Association have been writing collision, fire and theft at their own rates for the past two years since the manual was suspended for Michigan territory. The prevailing scale is 25 percent off manual for fire and theft and 50 percent off for collision.

### Expedients Are Used

In some cases these rates have been met by the Michigan carriers, which prior to the competitive drive were said to have written 85 percent of the automobile volume of the state, but more

often the home carriers have contented themselves with retaining the casualty lines and as much of the fire business as could be written at higher rates. In numerous cases, it is quite freely admitted, the business was deliberately split to arrive at a low net rate, the home carriers taking the casualty lines and passing on the fire, theft and collision to outsiders through friendly agencies.

Commissioner Livingston said he was pleased at the harmonious atmosphere at the meeting here and the disposition to mutual cooperation.

Among the suggestions advanced was that manual rates be charged for public

liability and property damage and that dividends be paid if earnings justify. It was generally agreed that collision rates must be raised but many would leave the casualty lines on the present rate basis which they believe adequate.

Other members of the special committee serving with Mr. MaDan are: Vern V. Moulton, Auto-Owners, Lansing; Walter Otto, Michigan Mutual Liability, Detroit; Robert K. Orr, Wolverine, Lansing, and Bruce Laing, Michigan Mutual Automobile, Dowagiac.

Besides the carriers represented on the committee, those having spokesmen present included: Citizens Mutual Automobile, Howell; Lincoln Mutual Cas-

ualty, Detroit; United Automobile and Preferred Automobile, Grand Rapids, and the Frankenmuth Mutual.

Commissioner Livingston is apparently eager to bring about a condition of stability and safety in the automobile field in his state. He is holding a conference Thursday of this week with representatives of the National Automobile Underwriters Association and will probably seek an understanding, which will permit foreign and domestic companies to dwell together in greater peace in Michigan.

Cley Miller of Miller, Castle & Freiburg, local agents at Quincy, Ill., is being congratulated on the birth of a son.

# A.D.T. — come on over and help me do some

## FIGURING!!

...And why not! Who is better able to point out increased protection possibilities than an A.D.T. man? Today, insurance bidding is more than a business — it's an art. Your old clients are being propositioned every day. Show them that you are more than a salesman. Suggest ways to protect their property with adequate protective devices as well as insurance policies. There is always room for constructive salesmanship.

A.D.T. Central Station Watchman and Sprinkler Supervisory Services will not only provide greater protection for your client's property — they will provide protection for your interests as well! Send for a copy of our booklet, "Keeping Tab on the Sprinkler" and get an interesting five minute picture of sprinkler operation.



## WATCHMAN and SPRINKLER SUPERVISORY SERVICES

CONTROLLED COMPANIES OF

• AMERICAN DISTRICT •  
TELEGRAPH COMPANY  
155 SIXTH AVENUE • NEW YORK N.Y.

## AS SEEN FROM CHICAGO

### ANDERSON & NORTMAN MOVE

Anderson & Nortman, adjusters for the companies, have moved into larger quarters in A-661, Insurance Exchange. They had been in another office since opening for business May 1, 1930. Roy Nortman previously had been connected with John Dreihls, well known adjuster, and E. T. Anderson was an independent adjuster for seven years.

### MUST GET AGENT'S LICENSE

THE NATIONAL UNDERWRITER was asked as to whether under the new Illinois license laws a non-policy-writing agent would be classed as a broker or an agent. In a case of this kind the agent solicits the business and sends the application to headquarters for the policy to be written. The Illinois department states that such a man must have an agent's license.

### J. W. BURDEN ON PROGRAM

J. W. Burden, automobile superintendent for the Hartford at Chicago, will be the speaker at the Illinois Blue Goose luncheon April 4. He will discuss some of the new developments in the automobile field.

### ILLINOIS FEDERATION MEETING

At the annual meeting of the Illinois Insurance Federation to be held at a luncheon at the Hotel LaSalle at Chicago, March 22, it is planned to make it an all-Illinois insurance gathering with a number of state officials as guests. The main ones will be Governor L. L. Emmerson, Director of Trade & Commerce L. H. Lowe and Insurance Superintendent H. W. Hanson. C. J. Doyle, associate general counsel of the National Board, will act as master of ceremonies. Dr. R. A. Clemen, asso-

ciate chief social science division of the Century of Progress Exposition, will present an explanation of the plans that are being made for that event.

### CLASS 1 RESIGNATIONS

Three members of Bowes & Co. have resigned as Class 1 members of the Chicago Board. They are J. P. Bowes, Jr., R. B. Rogers and I. W. Barnett.

### ROY M. TODD RESIGNS

Roy M. Todd, for the past 13 years one of the principal adjusters of the Thomas T. North Adjusting Company in Chicago, has resigned. He will be compelled to give up all business activities for a time because of ill health. He had a nervous breakdown about three years ago and is now compelled to retire because of a recurrence.

### BLEWITT TAKES NEW POST

W. B. Blewitt, who was formerly marine manager of the Home of New York at Chicago covering 15 states in the middle west, has gone with Jones & Whitlock in New York City as assistant to the president. He opened the marine branch for the Home at St. Louis, developing it in Missouri, Kansas, Nebraska, Oklahoma and Arkansas. He was made marine manager in these states and in 1929 was transferred to Chicago to cover a wider field. He was formerly connected with the loss department of Chubb & Son of New York and then went with the American Equitable in its marine loss department. He was in the brokerage business in New York from 1921 to 1924.

J. H. Macfarlane of Chicago, secretary of the America Fore companies, visited

the Rocky Mountain department offices in Denver last week.

R. E. Vernor of the Western Actuarial Bureau has been elected to membership in the Chicago Business Secretaries Forum.

### Chairman Camlin Espousing Illinois Separation Movement

John H. Camlin of Rockford, Ill., well known local agent and chairman of the insurance division of the Illinois Chamber of Commerce, is leading a movement through his committee to divorce the Illinois insurance department from the department of trade and commerce and put it on a par with the other important major state departments, having the superintendent subordinate only to the governor. Mr. Camlin says that Illinois collects \$6,830,002 from insurance. The expenses of the insurance department are \$218,000, the amount spent for service being 3.2 percent. Thus 96.8 percent goes into the public revenue. Mr. Camlin calls attention to the important insurance interests of Illinois and states that the people are entitled to the best possible service that the state can give. He feels that the department should be left free from political entangling alliances and declares that the present system of making it subordinate to the department of trade and commerce has proved very unsatisfactory to everyone, especially to the public.

### Detroit F. & M. Field Rally

Field men of the Detroit Fire & Marine for Western Underwriters Association territory held their annual two-day sales conference at the home office last week, with Vice-president Raymond Waldron presiding at the business sessions. The banquet was held Thursday evening, with Charles A. Reekie, vice-president and secretary, as toastmaster.

### Heads Governing Group of Auto Theft Bureau



FRED J. SAUTER

Fred J. Sauter, Cook county manager for the Aetna, has been elected chairman of the governing board of the National Automobile Theft Bureau. He was also made chairman of the western division of the bureau. All other members of the governing board were re-elected. L. G. Borland, secretary of the Great American, was elected treasurer.

Speakers included Mr. Waldron, W. O. McLelland, secretary, and several of the field men.

The *Homeland* has been licensed in Arkansas. John W. Ricks, Little Rock, is state agent.



## MONARCH FIRE INSURANCE COMPANY CLEVELAND, OHIO

STATEMENT DECEMBER 31, 1931

| ASSETS   |                       | LIABILITIES   |                       |
|--|-----------------------|---|-----------------------|
| Bonds and Stocks*                                | \$2,498,758.54        | Outstanding Losses  | \$ 209,829.00         |
| Real Estate                                      | 420,311.44            | Unearned Premium Reserve  | 1,620,035.70          |
| Mortgage Loans                                   | 317,565.06            | Taxes, Expenses and Other Liabilities   | 133,485.62            |
| Cash in Banks and Office                         | 313,689.39            | Unearned Premiums and Losses Recoverable on Reinsurance in Companies not admitted to New York | 27,483.30             |
| Agents Balances, written subsequent to October 1 | 288,082.37            | Total Liabilities, except Capital   | \$1,990,833.62        |
| Deposits with Underwriter's Associations         | 1,100.00              | Capital   | \$1,000,000.00        |
| Reinsurance Recoverable on Paid Losses           | 9,395.85              | Surplus   | 883,895.30            |
| Accrued Interest                                 | 25,826.27             | Surplus as regards policyholders  | 1,883,895.30          |
|  | <b>\$3,874,728.92</b> |   | <b>\$3,874,728.92</b> |

\*Valuations approved by The National Convention of Insurance Commissioners.

RALPH RAWLINGS, PRESIDENT

WM. R. DALEY, SECRETARY

J. ARTHUR HOUSE, TREASURER



# Fire Premiums in 1931 by Lines

| Zurich        | Premiums   | Losses     |
|---------------|------------|------------|
| Motor Vehicle | \$ 560,367 | \$ 312,812 |
| Fire          | 995,185    | 804,025    |

| Universal, N. J.   | Premiums | Losses  |
|--------------------|----------|---------|
| Motor Vehicle      | 514,892  | 249,781 |
| Fire               | 546,573  | 371,252 |
| Ocean Marine       | 54,892   | 24,978  |
| Earthquake         | 5,633    | 4,118   |
| Inland Marine      | 101,253  | 44,118  |
| Tor-Windstorm      | 53,635   | 3,132   |
| Hail               | 1,066    | 1,066   |
| Sprinkler Leakage  | 2,362    | 1,224   |
| Riot and Explosion | 3,200    | 661     |
| Aircraft           | 249      | 249     |

| Metropolitan, N. Y. | Premiums   | Losses     |
|---------------------|------------|------------|
| Motor Vehicle       | \$ 519,760 | \$ 141,146 |
| Fire                | 1,075      | 26         |
| Earthquake          | 1,692      | 1,692      |
| Tor-Windstorm       | 35,772     | 1,211      |
| Sprinkler Leakage   | 870        | 278        |
| Riot and Explosion  | 598        | 157        |

| London & Lancashire | Premiums    | Losses      |
|---------------------|-------------|-------------|
| Motor Vehicle       | \$2,567,430 | \$1,201,328 |
| Fire                | 353,901     | 169,077     |
| Earthquake          | 8,106       | 8,106       |
| Inland Marine       | 2,579       | 213         |
| Tor-Windstorm       | 159,682     | 15,114      |
| Hail                | 1,193       | 685         |
| Sprinkler Leakage   | 4,146       | 1,251       |
| Riot and Explosion  | 4,847       | 80          |
| Aircraft            | 205         | 205         |

| Urbaine, N. Y.     | Premiums    | Losses      |
|--------------------|-------------|-------------|
| Motor Vehicle      | \$1,955,296 | \$1,452,548 |
| Fire               | 23,150      | 27,012      |
| Earthquake         | 10,860      | 10,860      |
| Inland Marine      | 910         | 2,576       |
| Tor-Windstorm      | 49,535      | 9,743       |
| Hail               | 196         | 32          |
| Sprinkler Leakage  | 7,309       | 4,012       |
| Riot and Explosion | 10,655      | 1,064       |
| Other Lines        | 958         | 958         |

| Union & Phenix Espanol | Premiums   | Losses     |
|------------------------|------------|------------|
| Motor Vehicle          | \$ 749,756 | \$ 439,347 |
| Fire                   | 9,323      | 7,710      |
| Earthquake             | 4,677      | 4,677      |
| Inland Marine          | 894        | 894        |
| Tor-Windstorm          | 26,689     | 3,488      |
| Hail                   | 143        | 143        |
| Sprinkler Leakage      | 2,425      | 363        |
| Riot and Explosion     | 2,986      | 137        |

| Standard, Conn.    | Premiums    | Losses     |
|--------------------|-------------|------------|
| Motor Vehicle      | \$1,353,162 | \$ 687,627 |
| Fire               | 19,028      | 3,900      |
| Earthquake         | 7           | 7          |
| Inland Marine      | 172,917     | 61,096     |
| Tor-Windstorm      | 75,058      | 7,722      |
| Sprinkler Leakage  | 3,297       | 1,034      |
| Riot and Explosion | 7,679       | 415        |
| Aircraft           | 2,035       | 1,586      |
| Misc. Prop. Damage | 756         | 1          |

| National Union, Pa. | Premiums    | Losses      |
|---------------------|-------------|-------------|
| Motor Vehicle       | \$4,232,431 | \$3,767,682 |
| Fire                | 229,136     | 121,526     |
| Earthquake          | 3,207,958   | 3,150,470   |
| Inland Marine       | 22,894      | 22,894      |
| Tor-Windstorm       | 357,749     | 197,018     |
| Hail                | 305,223     | 87,750      |
| Sprinkler Leakage   | 139,474     | 115,572     |
| Riot and Explosion  | 13,250      | 932         |
| Aircraft            | 27,696      | 1,906       |
| Other Lines         | 35,699      | 60,299      |

| Manhattan F. & M. | Premiums   | Losses     |
|-------------------|------------|------------|
| Motor Vehicle     | \$ 476,943 | \$ 219,740 |
| Fire              | 144,802    | 70,921     |
| Earthquake        | 224        | 224        |
| Tor-Windstorm     | 22,846     | 1,779      |
| Sprinkler Leakage | 589        | 145        |

| London & Scottish  | Premiums   | Losses     |
|--------------------|------------|------------|
| Motor Vehicle      | \$ 350,930 | \$ 184,640 |
| Fire               | 155        | 1,136      |
| Earthquake         | 27,657     | 15,780     |
| Inland Marine      | 2,399      | 3,695      |
| Tor-Windstorm      | 22,541     | 3,248      |
| Sprinkler Leakage  | 597        | 375        |
| Riot and Explosion | 1,357      | 58         |

| London Assurance   | Premiums    | Losses      |
|--------------------|-------------|-------------|
| Motor Vehicle      | \$2,346,624 | \$1,271,565 |
| Fire               | 569,334     | 326,264     |
| Earthquake         | 419,875     | 268,578     |
| Inland Marine      | 8,629       | 8,629       |
| Tor-Windstorm      | 225,445     | 90,379      |
| Sprinkler Leakage  | 106,138     | 10,451      |
| Riot and Explosion | 3,669       | 1,040       |
| Aircraft           | 3,341       | 164         |
| Other Lines        | 19,046      | 8,360       |

| Liberty, Ky.  | Premiums  | Losses   |
|---------------|-----------|----------|
| Motor Vehicle | \$ 49,747 | \$ 5,811 |
| Fire          | 224       | 224      |

| Kyodo              | Premiums   | Losses     |
|--------------------|------------|------------|
| Motor Vehicle      | \$ 338,672 | \$ 224,002 |
| Fire               | 10,556     | 6,869      |
| Earthquake         | 1,483      | 1,483      |
| Tor-Windstorm      | 12,687     | 1,891      |
| Sprinkler Leakage  | 1,488      | 575        |
| Riot and Explosion | 1,633      | 72         |

| Detroit F. & M.    | Premiums    | Losses     |
|--------------------|-------------|------------|
| Motor Vehicle      | \$1,118,990 | \$ 382,158 |
| Fire               | 40,216      | 9,611      |
| Earthquake         | 3,251       | 3,251      |
| Inland Marine      | 17,645      | 2,708      |
| Tor-Windstorm      | 76,343      | 4,740      |
| Hail               | 6,342       | 3,477      |
| Sprinkler Leakage  | 2,498       | 391        |
| Riot and Explosion | 2,389       | 136        |

| Jupiter General    | Premiums  | Losses   |
|--------------------|-----------|----------|
| Motor Vehicle      | \$ 98,299 | \$ 2,766 |
| Fire               | 242       | 242      |
| Earthquake         | 2,904     | 97       |
| Tor-Windstorm      | 1,106     | 5        |
| Sprinkler Leakage  | 674       | 674      |
| Riot and Explosion | 674       | 674      |

| Commercial Standard, Tex. | Premiums  | Losses     |
|---------------------------|-----------|------------|
| Motor Vehicle             | \$ 96,345 | \$ 128,757 |
| Fire                      | 2,363     | 2,363      |
| Earthquake                | 376,393   | 248,953    |
| Inland Marine             | 2,467     | 2,467      |
| Tor-Windstorm             | 23,853    | 3,555      |
| Plate Glass               | 13,273    | 4,432      |
| Work. Compensation        | 136,177   | 204,905    |
| Surety Bonds              | 8,186     | 107        |
| General Liability         | 8,230     | 1,220      |

| Central, Md.          | Premiums   | Losses     |
|-----------------------|------------|------------|
| Motor Vehicle         | \$ 877,715 | \$ 389,879 |
| Fire                  | 64,310     | 45,394     |
| Earthquake            | 621        | 621        |
| Inland Marine         | 612        | 95         |
| Tor-Windstorm         | 34,372     | 8,191      |
| Hail and Rain         | 9,795      | 3          |
| Sprinkler Leakage     | 986        | 986        |
| Riot and Explosion    | 10,558     | 95         |
| Aircraft & Aut. P. D. | 3,860      | 95         |

| Lion, N. Y.        | Premiums   | Losses     |
|--------------------|------------|------------|
| Motor Vehicle      | \$ 279,887 | \$ 216,997 |
| Fire               | 398        | 433        |
| Earthquake         | 3,266      | 3,266      |
| Inland Marine      | 3,734      | 866        |
| Tor-Windstorm      | 11,765     | 1,194      |
| Sprinkler Leakage  | 1,028      | 266        |
| Riot and Explosion | 1,343      | 137        |

| Camden, N. J.      | Premiums    | Losses      |
|--------------------|-------------|-------------|
| Motor Vehicle      | \$3,714,724 | \$2,071,702 |
| Fire               | 370         | 370         |
| Ocean Marine       | 760,480     | 531,023     |
| Earthquake         | 12,573      | 12,573      |
| Inland Marine      | 344,139     | 179,444     |
| Tor-Windstorm      | 207,951     | 26,530      |
| Hail               | 25,678      | 13,450      |
| Sprinkler Leakage  | 9,722       | 1,077       |
| Riot and Explosion | 11,188      | 1,163       |
| Aircraft           | 2,114       | 2,114       |

| California         | Premiums    | Losses     |
|--------------------|-------------|------------|
| Motor Vehicle      | \$1,434,769 | \$ 838,223 |
| Fire               | 102,170     | 59,988     |
| Earthquake         | 3,921       | 3,921      |
| Inland Marine      | 21,430      | 9,178      |
| Tor-Windstorm      | 170,468     | 13,823     |
| Hail               | 57          | 57         |
| Sprinkler Leakage  | 3,011       | 1,072      |
| Riot and Explosion | 1,906       | 491        |
| Aircraft           | 9           | 9          |
| Other Lines        | 361         | —9         |

| Birmingham, Pa. | Premiums  | Losses    |
|-----------------|-----------|-----------|
| Motor Vehicle   | \$ 40,317 | \$ 31,689 |
| Fire            | —5,452    | 130       |
| Tor-Windstorm   | —5,452    | 130       |

| Automobile, Conn.  | Premiums    | Losses      |
|--------------------|-------------|-------------|
| Motor Vehicle      | \$3,106,041 | \$1,790,459 |
| Fire               | 1,080,917   | 664,588     |
| Earthquake         | 1,148,333   | 460,373     |
| Inland Marine      | 2,604       | 2,604       |
| Tor-Windstorm      | 1,387,057   | 615,839     |
| Sprinkler Leakage  | 208,612     | 28,704      |
| Riot and Explosion | 9,188       | 3,618       |
| Aircraft           | 30,075      | 6,596       |
| Misc. Prop. Damage | 16,270      | 17,061      |
| Other Lines        | 3,072       | 25          |

| Texas Natl.   | Premiums  | Losses    |
|---------------|-----------|-----------|
| Motor Vehicle | \$ 80,223 | \$ 51,645 |
| Fire          | 1,040     | 1,040     |
| Tor-Windstorm | 9,214     | 1,308     |

| Atlantic, N. C.    | Premiums   | Losses     |
|--------------------|------------|------------|
| Motor Vehicle      | \$ 163,306 | \$ 149,295 |
| Fire               | 8,342      | 6,671      |
| Earthquake         | 497        | 497        |
| Inland Marine      | —145       | 520        |
| Tor-Windstorm      | 4,333      | 350        |
| Riot and Explosion | 308        | 308        |

| American States | Premiums   | Losses     |
|-----------------|------------|------------|
| Motor Vehicle   | \$ 633,712 | \$ 230,947 |
| Fire            | —          | —          |

| Lincoln Fire       | Premiums    | Losses      |
|--------------------|-------------|-------------|
| Motor Vehicle      | \$1,413,846 | \$2,417,701 |
| Fire               | 183,667     | 168,652     |
| Earthquake         | 3,292       | 3,292       |
| Tor-Windstorm      | 119,810     | 22,951      |
| Hail               | 167         | 167         |
| Sprinkler Leakage  | 713         | 3,877       |
| Riot and Explosion | 3,105       | 3,105       |

| Law Union & Rock   | Premiums   | Losses     |
|--------------------|------------|------------|
| Motor Vehicle      | \$ 768,752 | \$ 381,908 |
| Fire               | 59,578     | 30,537     |
| Earthquake         | 704        | 704        |
| Inland Marine      | 174        | 66         |
| Tor-Windstorm      | 52,234     | 4,089      |
| Sprinkler Leakage  | —270       | 280        |
| Riot and Explosion | 1,871      | 29         |

| Industrial, Tex. | Premiums  | Losses     |
|------------------|-----------|------------|
| Motor Vehicle    | \$ 62,660 | \$ 117,916 |
| Fire             | 281,944   | 170,957    |
| Earthquake       | 3,148     | 4,946      |
| Tor-Windstorm    | 6,551     | 4,102      |

| Orient             | Premiums    | Losses     |
|--------------------|-------------|------------|
| Motor Vehicle      | \$1,778,701 | \$ 922,644 |
| Fire               | 189,765     | 111,303    |
| Earthquake         | 1,783       | 1,783      |
| Inland Marine      | 625         | 30         |
| Tor-Windstorm      | 172,463     | 14,224     |
| Hail               | 902         | 2,003      |
| Sprinkler Leakage  | 1,737       | 875        |
| Riot and Explosion | 3,818       | 87         |



## By Demonstration or How to Sell TORNADO and WINDSTORM INSURANCE

REMEMBER the Maulawiyah or Whirling Dervishes? Those circus fakirs who spun 'round and 'round? Well, it's time to call attention again to winds that go 'round and 'round. Time to sell Tornado and Windstorm Insurance! So imitate a Whirling Dervish. Personally demonstrate the destructive force of rotating winds. For once it will pay you to go around in circles . . . Of course we aren't in earnest. However, we are serious in mentioning again the "Springfield Group's" unique, resultful plans for selling insurance. It may pay you to hear more about them, so take a whirl and write us today.

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MICHIGAN FIRE & MARINE INSURANCE COMPANY, Detroit, Michigan

NEW ENGLAND FIRE INSURANCE COMPANY, Pittsfield, Massachusetts

Specify Stock Fire Insurance



## THE NATIONAL UNDERWRITER

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## Taxation Offers Profound Study

We are all interested these days in the tax question. Never before, at least not in many years, has the sharp upward trend of taxes been brought home as it has in this day of economic distress. We awake to find that our various governments and tax levying bodies have carried us far beyond reasonable lines. When money was easy to get and the stock market was booming people were apathetic and paid their taxes without complaint. They voted bond issues, yielded to increased taxation and improvements of all kinds. We have had ten years or so of governmental spending orgy. We are awaking from the dream and are confronted with some stern realities.

For instance take Chicago and Cook county, Illinois, as an example. In 1916, the total taxes levied in Cook county were \$65,142,185. In 1919, they were \$95,124,151. In 1923, they were \$157,912,039. In 1927 there was a sharp increase to \$229,193,364. In 1930, the levy was \$289,000,000. The 1931 tax levy will exceed \$300,000,000.

There is outstanding indebtedness at the present time in Cook county in the form of tax commitments \$722,858,899. This is composed of the 1928-1929 taxes

unpaid \$133,858,899, the 1930 levy \$289,000,000 and the 1931 levy \$300,000,000. The figure \$722,858,899 may seem rather academic. It might be well to make a comparison or two. President Hoover led the movement for a moratorium for Germany because it could not meet its reparation payments for that year amounting to \$427,000,000. About three weeks after this the BANK OF ENGLAND negotiated a loan from the United States and France totaling \$600,000,000, which was the sum presumably adequate to rehabilitate the finances of the British Empire.

The whole tax subject in this country is one that calls for most brilliant analytical minds to try and readjust. We have become a nation of taxpayers. Real estate in many commonwealths is bearing by far the greatest burden because the tax rate on personal property is confiscatory and decidedly unjust. We have state income taxes. The people fear that with every additional tax burden it does not mean a lessening of taxes in other categories but simply an additional income for governmental expenditures. It is high time that we all give most profound attention to this subject.

## After All, Hard Work Will Tell

A SALES manager the other day decided he would try an experiment. His salesman had been telling him that there was no business to be gotten. People were in the doldrums, they had no money, they were discouraged and they saw nothing ahead. Therefore the sales manager shifted some new men that he had in training to the fields of these seasoned agents. He told them to work hard every day.

Fortunately they did not know the traditions of the business and they went

at their task with a right good will. In a number of respects they made a cold canvass. Every possible man that could buy insurance was called on in a given territory. It was surprising to see the result. The new men with industry and vigor back of them were able to make a most splendid showing. The old timers were put to shame. This all goes to show that if an honest effort is put forth even in the dulllest times something will be pried loose. Hard times will succumb to hard work.

## PERSONAL SIDE OF BUSINESS

W. B. McBee, president and treasurer of the Blackstone Mutual Fire and Merchants Mutual Fire of Providence, died last week following an operation performed some weeks ago. He was 71 years of age. He was a native of Greenville, S. C.

Robe Bird, manager of the western department of the American of Newark, has returned to his office at Rockford, Ill., with Mrs. Bird from a month's vacation trip to Florida.

Ray Yenter, former insurance commissioner of Iowa and at the time he left office chairman of the executive committee of the National Convention of Insurance Commissioners, since the first of the year has been connected with the Yeomen, a well known fraternal in Des Moines, which is changing over to an old line life company known as the Yeomen Mutual Life. He is doing departmental work. Mr. Yenter is well known to insurance commissioners and company officials.

Will J. Bell, 46, president of the Bell Investment Company and the Bell & Co. agency, Seattle, Wash., died at his home there after a short illness.

Mr. Bell had resided in Seattle 30 years, having gone there from Nebraska. He entered the investment and insurance fields more than 20 years ago and had been the head of his own agency for 15 years.

Announcement is made of the death of Will Moore, former insurance commissioner of Oregon, who preceded Clare A. Lee in that post.

Dee A. Stoker, who conducts a re-insurance and excess business with headquarters in Chicago, is one of the leading contenders in the "Festival of States" shuffleboard tournament, which is in progress for six weeks at St. Petersburg, Fla. Mr. Stoker is a member of the Illinois two-man team which is contending against 13 other states. Each state plays three games with each of the other states. Illinois is now tied for second place. Mr. Stoker is a great shuffleboard player. At his home in Kenilworth, Ill., he has a shuffleboard court which is illuminated at night.

T. C. Moffatt of Newark, former president of the National Association of Insurance Agents, will celebrate his 25th year as head of the agency which bears his name this year.

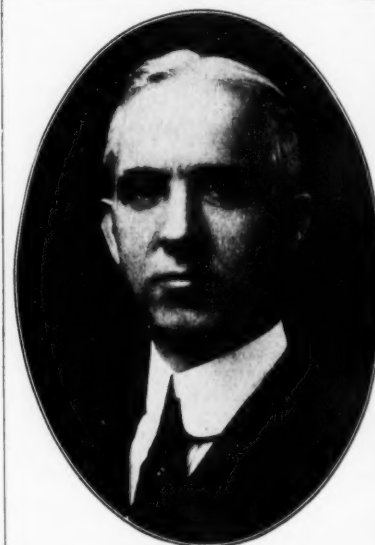
Charles Van Valkenburg, assistant general agent Edward Brown & Sons at Los Angeles, died suddenly March 4 from an attack of acute indigestion. Mr. Van Valkenburg was a pioneer of the fire business on the Pacific Coast, having been in Los Angeles for the past 35 years.

E. W. Tinsley, who has been made special agent of the County Fire, Rochester American, and Detroit F. & M. in western Pennsylvania, has opened his headquarters in 1503 Commonwealth building, Pittsburgh. He succeeds T. V. R. Daliel. Mr. Tinsley was formerly in the Ohio field for the Aetna and later became manager for its inland marine department at the western office in Chicago.

Secretary Harry E. Helm of the Fidelity & Guaranty Fire is completing a two weeks' trip over western territory, his last stops being at Indianapolis and Louisville the last of this week. Among the cities he visited were Chicago, Kansas City and Oklahoma City.

Willard Welsh of Columbus, special agent in Ohio for the Hartford Fire,

## Forty Years



THOMAS ROCKEFELLER WEDDELL

Thomas Rockefeller Weddell of Chicago, editor and publisher of the "Insurance Post" and associate editor of the "Insurance Field," will celebrate in the next issue of the "Post" its 40th anniversary. It was founded in 1892 by the late Charles A. Hewitt. Mr. Weddell was in daily newspaper work when he was made insurance editor of the Chicago "Inter-Ocean" in 1899. Later he acquired an interest in the "Insurance Post." He is one of the best known and best informed men in the insurance news gathering field.

who has been quite ill at a Cincinnati hospital, was removed last week to a room at the Cincinnati Club. While Mr. Welsh is improving, he is still very ill.

Austin Kinnaird of the Booker & Kinnaird agency at Louisville has been elected chairman of the board of the Inter-Southern Life of Louisville.

Robert Shingler of Indianapolis, president of the Lincoln Underwriters Corporation, which acts as general agent of the Georgia Home in Indiana and Illinois, has been in the Methodist hospital in his city but is now at his home recuperating. He expects to be back in his office in a few days.

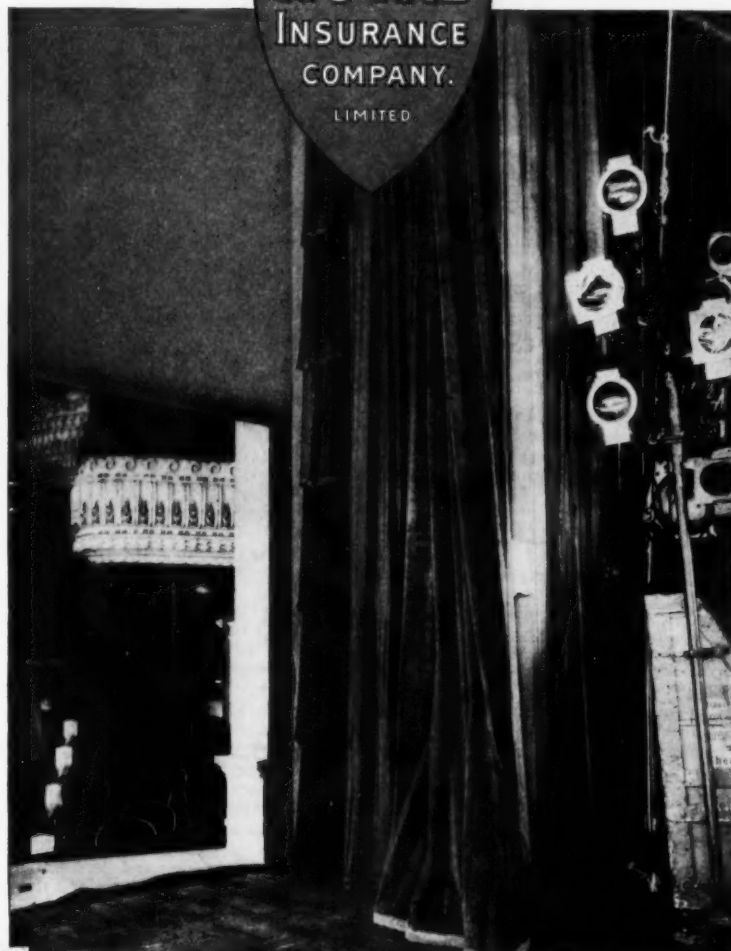
Mr. and Mrs. Ira F. Doling celebrated their 58th wedding anniversary at their home in Topeka Monday. They are the parents of O. W. Doling, state agent for the Liverpool & London & Globe, and A. I. Doling, state agent for the New Hampshire, both well known Kansas field men.

Frank L. Britton, executive vice-president of the Preferred Risk Fire of Topeka, has been elected president of the state-wide Democratic Luncheon Club, which meets every two weeks in Topeka. Governor Harry Woodring was the speaker last week.

William P. Maus, secretary-treasurer New Orleans Underwriters Agency, died March 5 in his 68th year. Mr. Maus had been in the insurance business in New Orleans for more than 50 years.

W. F. Sweazea, manager Chicago metropolitan department North British fleet, is vacationing at Biloxi and will return to his office in a fortnight.

*Security First*



*Courtesy Peter Clark, Inc.*



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# FIRE INSURANCE NEWS BY STATES

## OHIO AND WEST VIRGINIA

### Ohio Special Session Likely

**Insurance Men Fear Efforts May Be Made for Further Increase on Taxation**

COLUMBUS, March 9.—Although opposed by the business interests of the state, a special session of the Ohio legislature will be called at an early date by Governor White to pass on the unemployment situation, according to present indications.

Every important business industry in the state feels that if a special session is called, the tax on business will be increased. Insurance men are fearful of a new tax on insurance; public utilities fear a tax on their industry, and highway equipment and material companies are solicitous that the gasoline funds may be shifted from the construction of highways to the care of the needy.

### Ohio Men in Florida

Charles E. Curtis, independent adjuster at Cleveland, is spending March on his annual vacation to Captiva Island, Fla. He was accompanied by C. B. Cory, state agent of the Liverpool & London & Globe.

### Schutte to Give Address

Harry Schutte, employed by Hamilton county as a tax expert, will address the Cincinnati Fire Underwriters Association Thursday afternoon. Mr. Schutte will explain the new intangible tax law of Ohio as it applies to insurance men. The association plans to have speakers regularly at its monthly meetings.

### Plan for Mutuals' Meeting

The Ohio Mutual Fire Insurance Union has named W. H. G. Kegg of Mansfield, G. W. Miller of Bucyrus and J. B. Cross of the Columbus chamber of commerce to help make plans for the national convention of mutuals in Columbus in the fall.

### Ohio Agency Changes

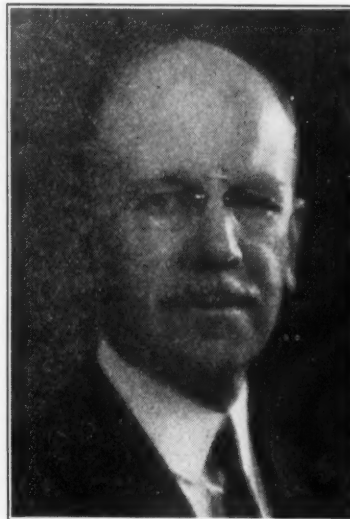
V. F. and A. P. Trout have sold their interest in the Trout & Anderson agency, Springfield, O., to Hugh Barnett and it will now be known as the Barnett-Anderson Insurance Agency.

Charles M. Wyman has sold his agency at Sidney, O., to the Ruess Insurance Agency.

### Ohio Notes

R. H. Perdue of the Maxson, Perdue & Ketchum agency, who has been in North Carolina recuperating from a recent illness, has returned to Cleveland feeling better for his stay in the milder climate. Mrs. Elizabeth Faulhaber, widow of the late F. B. Faulhaber, who organized the Faulhaber Agency of Cleveland, died at her home in Lakewood, O. Her son-in-law, William Primavisi, who has been actively operating the agency for some time, continues in charge.

## General Chairman



WALTER J. JAMES

Walter J. James, first vice-president of the Cleveland Insurance Agency, who is chairman of the general arrangements committee for the Cleveland Insurance Board in connection with the forthcoming mid-year meeting of the National Association of Insurance Agents, which will be held at the Hotel Cleveland in his city the week of March 21, started his insurance career as a solicitor for a local agency in Cleveland. In a short time he was appointed sub-agent with the privilege of signing his own policies. At the end of two years he established an agency of his own and secured some companies. In 1901 he joined forces with A. W. Parsons, forming the agency of James & Parsons. This later developed into the incorporated agency of the James-Parsons-Ruggles Company. On May 1, 1907, this office and the agency of Ruggles & Manchester were consolidated by the formation of the James & Manchester Company. On Jan. 1, 1930, it was merged with the agency of Owen, Crowell & Co., and the Cleveland Insurance Agency, Inc., was formed. Mr. James became first vice-president. He has been active in the Cleveland Insurance Board. While his work has been connected with the production end of the business yet he has given much time to its general welfare in his community and in the country at large.

more can be accomplished at this time by open discussions than by set speeches.

### Closes Grand Rapids Branch

The American of Newark has closed its Grand Rapids branch. Under the new arrangement the American will be represented in the Grand Rapids district by three or four old established local agencies. The company's move has created such a favorable impression among Michigan agents that President G. Earle McVoy of the Michigan Association of Insurance Agents has requested Executive Secretary George Brown to praise the stand of the company in the next bulletin going out to Michigan association members.

### Trendle Heads Fire Commission

G. W. Trendle has been elected president of the Detroit fire commission, succeeding C. H. Murphy, whose term as president expired. Charles F. Clippert becomes vice-president.

## News of States in the Northwest

### Summer Cottages Are Burning

**Many Losses Reported in Minneapolis Neighborhood, Southern Wisconsin, Northern Illinois**

Loss departments report an unusual number of summer cottage fires this winter, particularly in the Lake Minnetonka district near Minneapolis and in southern Wisconsin and northern Illinois.

There seem to be several reasons. Because of the mild weather, many persons have been spending week ends this winter at their summer places if they are within easy motoring distance of a big city. Fires are lighted and because of drought conditions, particularly in the northwest, roofs of neighboring cottages are often ignited. Of course there is a certain amount of moral hazard. Where fires start Sunday nights, as many of them do, there is often ground for suspicion. It turns out that the family has paid a visit to the cottage over the week end and the explanation is made that coal or wood was probably left burning in the open fire place.

The cottages that seem to be burning are in the \$1,200-\$2,500 class. They are located near the cities and are not out in the real wilds.

In addition to the unusual number of people who have been spending winter week ends in their summer cottages, there are many who are making their summer places year-round homes, usually for the sake of economy or necessity.

### Discontinues General Agency

The St. Paul has discontinued its fire and hail general agency with Milligan Bros. of Aberdeen, S. D. The change was made due to the retirement of A. F. Milligan. M. F. Blanco and N. P. Wenge, special agents, who have had headquarters with Milligan Bros., will supervise that field.

### Hilgemann at Fond du Lac

FOND DU LAC, WIS., March 9.—L. C. Hilgemann, vice-president of the Leedom, Miller & Noyes agency, Milwaukee, and legislative chairman of the Wisconsin Association of Insurance Agents, will address the Fond du Lac Board here Thursday evening on insurance legislation.

### Active in Fire Prevention

Following a visit of the National Fire Protection Association engineers to Superior, Wis., the association of commerce has decided to create a fire prevention committee. A new building and fire prevention code and drill tower are needed in the city, say the engineers.

### New Milwaukee Agency

Rebholz, Riedmueller & Thielecke is a new local agency formed in Milwaukee by Andrew Rebholz, Frank Riedmueller and W. E. Thielecke, who have been with the Bacher agency for 21 years.

The new agency has offices on the sixth floor of the Brumder building, 135 West Wells street, Milwaukee.

H. J. Finch, in the insurance business at Stevens Point, Wis., for 30 years, died suddenly in Milwaukee, where he and his wife were visiting relatives.

## CENTRAL WESTERN STATES

### Insurance Activities Planned

**Indianapolis Chamber of Commerce Committee Holds Organization Meeting to Outline Work**

INDIANAPOLIS, March 9.—An organization meeting of the insurance committee of the Indianapolis chamber of commerce was held Monday. A large number of insurance men are members and there was a general discussion of plans that might be practical. It was decided to divide the committee into three sub-committees—fire, life and casualty—each of these to hold meetings and plan programs of activity to be reported back to the general committee. Samuel Mueller, a merchant, is chairman and the only non-insurance man on the committee.

Among the active fire and casualty members are H. L. Barr, state agent Alliance; W. E. Barton, general agent; J. A. Bawden, state agent American; C. O. Bray, state agent Hartford Fire; C. C. Duck, Spann Co.; J. J. Fitzgerald, secretary Grain Dealers National Mutual Fire; E. H. Forry, Union Trust Company; F. H. Irwin, American Mutual; C. D. Lasher, state agent Home; J. E. Messick, Foster & Messick; O. L. Mummert, London Guarantee & Accident; C. V. Nipp, state agent Continental; A. L. Riggsbee, Fletcher Trust Company; G. A. Schmuell, Schmuell & Co.; E. M. Sellers, Indiana Inspection Bureau; J. W. Stickney, Fletcher American Company; Attorney J. G. Wood, H. H. Woodsmall and Irving Williams, editor "Rough Notes."

### Plan Lansing Inspection

LANSING, MICH., March 9.—A meeting of all luncheon clubs of the city

in conjunction with the regular weekly session of the civic bureau of the chamber of commerce is being arranged as a feature of the inspection of Lansing April 13-14 by the Michigan Fire Prevention Association. R. E. Verner of the Western Actuarial Bureau, Chicago, will address business men. About 75 members of the association are expected. H. K. (Smoky) Rogers will put on his "fire clown" act at the schools. Clyde B. Smith, former president National Association of Insurance Agents; Ralph Goodell, Emil Lambertson and A. A. Smith comprise the arrangements committee.

### Many Late in Filing

INDIANAPOLIS, March 9.—Twenty-five companies have not as yet filed their annual statements with the Indiana department, although March 1 was announced as the deadline date. It is expected that a number of these companies will not seek to be relicensed. The department is flooded with work because, in addition to the usual pressure of handling statements, there are the complications involved in the issuing of licenses due to the requirement of poll tax payment before a license can be issued which is involving much correspondence and the holding up of applications until poll tax conditions are met.

### Michigan Agents Spring Meeting

The spring meeting of the Michigan Association of Insurance Agents will be held in Lansing April 5-6. The governing committee will meet Tuesday afternoon and all day Wednesday will be devoted to an "open forum" discussion of problems confronting the agents in the state at the present time. The officers of the organization feel that



## LOYALTY GROUP

### TRUE OPTIMISM

True Optimism is Faith; Faith in Humanity; Faith in the Nation; Faith in its Institutions; Faith in Yourself; Faith in the Present; and Faith in the Future.

False Optimism is Hope based on Desire.

Pessimism is compounded of lack of Faith in all that True Optimism is founded upon, and is acknowledgment of unbelief in self, too often coupled with the wish to profit through the misfortunes of others.

History, that Just Judge of Humanity, reads the record and inexorably records the verdict.

The Verdict is, always has been, and always will be that True Optimism is justified and its results proven; that False Optimism cannot last because of its unsound foundation; and that Pessimism cannot prevail, but must ever fail because of its inherent untruth and viciousness.

History records that the world progressed, and was in every way better and more prosperous in the year 100 than in the year 1 A. D. History records that the world progressed, and was in every way better and more prosperous in the year 1000 than in the year 100 A. D. History records that the world progressed, and was in every way better and more prosperous in the year 1900 than in the year 1000 A. D. and History will continue to record the progress of the world, and this record will show the year 2000 in every way better and more prosperous than the year 1900 A. D. It is reasonable to believe, and it is wise to believe, and most people do believe that the year 1931 will be in every way better and more prosperous than the year 1930. Voice, therefore, your belief by word and act and aid it to come true in fullest measure.

Almost two thousand years ago a wise teacher and leader of men said:

"Now Faith is the substance of things hoped for, the evidence of things not seen".

Today Faith is as then. Today, as then, True Optimism is Faith. Thinking men must be and are True Optimists. That individuals have suffered misfortunes in the past and many have succumbed, and that individuals will suffer misfortunes in the future and more will succumb, cannot be denied, but such misfortunes, however hard for the individuals, are after all individual misfortunes and will not, in fact cannot stay the world march of progress and prosperity.

Do not be ashamed of your True Optimism, and do not be afraid to express it because you fear some pessimist may ridicule it and tell you that some day he will say "I told you so". Have courage and make known your True Optimism by voice and deed; make known your Faith in Humanity; make known your Faith in your Nation; make known your Faith in the Future; make known your Faith in Yourself; and make known your Faith that the tide has turned and that Prosperity has its hand stretched to knock at the door, and will surely enter if we but heed it, instead of harkening to cowardly fear.

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### Newton Agents at Wichita

Members of Newly Organized Local Board Hear Operations of Wichita Insurers Explained

WICHITA, KAN., March 9.—The members of the newly organized local board at Newton were the guests of the Wichita Insurers at their luncheon meeting last week. I. C. Forney, president, and Merle Oliver, secretary of the Newton Board, made short talks, as did Duane T. Stover, president of the Wichita Insurers, and Frank T. Priest, Kansas councillor of the National Association of Insurance Agents.

L. B. Brown of the Anderson, Brown & Ginzel agency explained the operations of the credit bureau recently formed by members of the Wichita Insurers. Dwight Smith read and explained the new uniform contents form which is being adopted by the Wichita Insurers.

It was also reported that the Wichita agents were unanimous in their application of the new automobile rates for pleasure cars as published by the National Bureau of Casualty & Surety Underwriters. It is expected that an agreement can soon be reached with regard to fleet rates and coverage.

Duane T. Stover, chairman of the membership committee of the Kansas association, announced that the recent membership campaign resulted in some 75 new and reinstated memberships and thanked those taking part in the campaign.

### Fur Certificates Outlawed By the Iowa Commissioner

Commissioner Clark of Iowa has issued a ruling prohibiting the issuance of furriers' customers' policies in connection with storage or repair agreements except on furs sold on conditional sales contracts.

Mr. Clark said this ruling was in line with a recent order prohibiting issuance of insurance as a free premium to induce purchase of other commodities.

Marine men are not certain as to Mr. Clark's precise intention. There is usually a charge to the customer for these fur certificates, although it may be less than the charge for the individual policy. Consequently, furriers' customers' policies are not usually free insurance, although they may be so if the furrier, for competitive purposes, desires to give away the protection. However, under the recent controverted ruling of the Inland Marine Underwriters Association, individual fur policies and certificates are on a parity. There is interest in Mr. Clark's position as to furriers' customers' policies, for which a charge would be made equal to the charge for an individual policy.

### Ties Fire Prevention Into Legion's Employment Drive

WICHITA, KAN., March 9.—Frank T. Priest of the Dulaney, Johnston, Yankey & Priest agency of Wichita, a director of the American Legion unemployment campaign, is working on a plan to tie in fire prevention with that campaign. Mr. Priest, who is former commander of the Wichita post of the American Legion, has been in conference with inspection bureau managers and proposes to secure lists of remediable fire hazards in various towns, which will be submitted to the local agents of those towns that can be interested. Through a joint committee of the local agents and American Legion improvements would be suggested to property owners or tenants and the legion would

furnish skilled mechanics to carry out the recommendations. With this cooperation it will be possible to obtain needed correction of a large number of fire hazards and also furnish considerable employment.

### Decision Is Clarified

In reporting an Iowa federal court decision regarding the liability of a company when fire starts a few minutes before the effective hour of a policy, but does not reach the stock insured until after the effective hour, there was a mistake as to the respective liability of the two leading companies involved. The Springfield had issued the insurance, which became effective at noon on the day of the fire, and was held liable despite the fact that fire started in an adjoining cannery a few minutes before noon. A group of companies, headed by the National of Hartford, had advanced money to the canning company in payment of the loss in consideration of the assignment to them of whatever rights the canning company had to recover on the policy issued by the Springfield F. & M. This group recovered from the Springfield.

### Nebraska Mutuals Meet

OMAHA, NEB., March 9.—Fifty mutuals were represented at the annual convention of the Nebraska Association of Mutual Companies. President Havekost said the biggest problem the mutuals are facing, many with farmers in desperate straits, is the moral hazard. There is a tendency not to protect property as it should be done, and this leads to indifference, gross carelessness and in some cases to arson. Other speakers were Frank Mills, secretary-treasurer; Harry Cooper, secretary of the National Association of Mutual Companies; O. D. Trombla, Lincoln; Commissioner Lee Herdman and J. J. Fitzgerald, secretary-treasurer Grain Dealers Mutual, Indianapolis.

The association voted to offer a standing reward of \$200 for evidence leading to the arrest and conviction of any person committing or causing to be committed arson upon any property covered by member companies. New officers elected are: President, R. H. Watson, Wahoo; vice-president, A. C. Millington, Omaha; secretary-treasurer, F. E. Linch, Lincoln.

### Review Iowa Insurance Laws

SIOUX CITY, IA., March 9.—Iowa's insurance laws will be given special consideration at next Friday's meeting of the Sioux City Fire & Casualty Underwriters. One of the pertinent questions now being asked agents who are seeking licenses to represent companies in Iowa is: "Are you familiar with the insurance laws of Iowa?" In order to bring their knowledge up to date, the Sioux City men will check up on the new rulings and some of the old ones. A summary of all the insurance laws of Iowa would fill a good sized volume.

### Hear Gubernatorial Candidates

A. M. Landon, Independence, Kan., candidate for the Republican nomination for governor, was the speaker at the Kansas Blue Goose luncheon at Topeka Monday. Holmes Meade, Topeka local agent, and Ralph Bolinger, Bucklin local agent, were guests. William Barrett of the Home presided. W. E. Ellis of the Glens Falls will be chairman next week.

### No Hail Rate Increase

TOPEKA, KAN., March 9.—There will be no difficulties with the Kansas department in the working out of the hail insurance rates for 1932. That was made certain by the conferences of the representatives of the hail companies



with Commissioner Hobbs. There will be no increases in hail rates and there will be some decreases, according to the present plans. The new rates have not been filed but are expected within the next few days, according to company men.

The department was prepared to resist any attempts to increase hail rates. The 1932 schedules will make further adjustments in the three zones which now carry the higher rates so that some counties will benefit materially from the better experience the companies have had in those counties in recent years.

#### Priest, Case to Cleveland

Frank T. Priest, Kansas councillor of the National Association of Insurance Agents, and Rosse Case, veteran local agent at Marion and president of the Kansas Association of Insurance Agents, will attend the mid-year meeting of the National association in Cleveland March 22-23.

#### Lange Speaks to Ganders

DES MOINES, March 9.—Otto F. Lange, Dubuque local agent, spoke at Iowa Blue Goose luncheon here this

week. He is a candidate for the Republican nomination for governor of Iowa. Prof. J. P. Ryan, Grinnell College public speaking instructor, will speak next week and G. L. Hostetler, a photographer, the following week.

#### Mead Topeka Speaker

R. C. Mead, assistant manager of the automobile department of the National Bureau of Casualty & Surety Underwriters, spoke at a meeting of the Topeka local board Wednesday noon.

#### Meade Employees Hear Ellis

W. E. Ellis of the Glens Falls was the speaker at the luncheon Saturday of employees of the Meade Investment Company, Topeka agency. A luncheon is held each Saturday and attended by all employees, with a field man as speaker.

#### Kansas Notes

L. W. Clark of the Morrison & Clark general agency, Omaha, spent last week in Kansas with State Agent Howard S. Searle.

Leonard Rude, Jr., for four years representative of the Midwest Life at Parsons, Kan., has opened a local agency there.

## STATES OF THE SOUTHWEST

#### Sprinkler Levy Is Protested

San Antonio Business Men Object to Flat Rate Charge of Water Board

SAN ANTONIO, March 9.—Renewed protest has been filed against the water board's flat rate charges on automatic sprinkler systems in business buildings, which it is alleged costs San Antonio business men from \$6,000 to \$8,000 annually whether they make use of the sprinklers or not. This charge, which is peculiar to San Antonio among Texas cities, has long been the object of protest.

Objectors say the principle of charging for the service is not justified, because even though the sprinkler systems are a direct protection against fire for business firms they are likewise a protection to the city generally, since they reduce conflagration hazard, a condition figured in fixing the city's key rate.

The cost of the service results in an overhead that the reduction in premiums cannot offset.

#### Moffatt Heads Muskogee Board

MUSKOGEE, OKLA., March 9.—John Moffatt has been elected president of the Muskogee local board with J. E. Bernay, vice-president, and Earl Anthis, secretary-treasurer.

#### To Continue as Adviser

DALLAS, March 9.—Carr P. Collins, who has resigned as southwestern manager for the Firemen's of Newark, will remain with the organization in Texas

in an advisory capacity, a statement from his office says. Mr. Collins will be succeeded as active manager by Olin L. Brooks. Mr. Collins was president of the Fidelity Union of Dallas when it was taken over by the Firemen's. He is still president of the Fidelity Union Life.

#### Arkansas Tax Raise Invalid

Commissioner Dulaney has appealed to the Arkansas supreme court from the decision of the chancery court at Little Rock, holding illegal the act of the 1931 legislature increasing the insurance premium tax from 2 to 2½ percent. In the suit brought against Mr. Dulaney by the Continental Life, the chancery court held that in providing for collection on premiums paid in 1931, the legislature made the increase retroactive. The Continental Life offered payment on a 2 percent basis.

#### San Antonio Gets 15 Percent

SAN ANTONIO, March 9.—San Antonio has been allowed the maximum good fire record credit of 15 percent by the Texas fire insurance department. It is the only large Texas city to receive the maximum credit.

#### Consider Bank Licenses on Merits

OKLAHOMA CITY, March 9.—The Oklahoma insurance board has decided in the matter of licensing bankers in small communities that each case shall be considered on the merits of the individual applying for license, rather than on his other business interests, and that this class of bankers is eligible for license.

## IN THE SOUTHERN STATES

#### Believe Arson Racket Halted

Conviction of Couple at Dyersburg, Tenn., Hailed by Fire Marshals of Southern States

Conviction of Mrs. Minnie Lee Hart, 48, and her son Boyce J. Hart, 21, at Dyersburg, Tenn., is regarded by state officials as an important step in putting a stop to a "fire insurance racket" being worked all over the south. They were given 10-year sentences for an attempt to collect \$1,500 on a policy on furni-

ture in a Dyersburg home they occupied prior to its burning Sept. 16, 1931.

According to R. C. Searcy, Alabama fire marshal, operators of the alleged racket went about from place to place in a large truck, claiming to be in the transfer and interior decorating business. "Stopping in a town, they would rent a house and move into the premises a quantity of furniture carried in the truck," he said. "Without loss of time they would have this furniture insured. In a week or so the house would burn to the ground, the furniture having been carefully removed prior to the burning

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Twenty-Eighth Annual Statement

## The Merchants Fire Insurance Company

Denver, Colorado

DECEMBER 31, 1931

| Assets   |                       |
|--|-----------------------|
| Cash in Banks and Office.....  | \$ 59,368.85          |
| Government, School, and Municipal Bonds at Market Value, Dec. 31, 1931.....    | 1,240,765.75          |
| Real Estate Mortgage Loans.....  | 314,586.82            |
| Accrued Interest on Bonds and Loans.....                                       | 14,611.80             |
| Agents' Balances .....   | 125,854.35            |
| Notes Receivable .....   | 3,474.25              |
| Real Estate .....  | 5,570.00              |
|  | <b>\$1,764,231.82</b> |
| Liabilities  |                       |
| Reinsurance Balances .....   | \$ 25,212.67          |
| Loss Claims in Process of Adjustment (Less Losses Reinsured, \$34,044.79)..... | 65,856.46             |
| Accrued Taxes, Etc.....  | 23,312.84             |
| Reserve for Unearned Premiums.....   | 728,073.14            |
| Reserve for Contingencies.....   | 37,538.95             |
| Capital Stock .....  | 400,000.00            |
| Surplus .....  | \$530,794.28          |
| Less: Assets Not Admitted.....   | 46,556.52             |
|  | <b>484,237.76</b>     |
|  | <b>\$1,764,231.82</b> |

POLICY HOLDERS' SURPLUS, \$884,237.76

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FIRE—TORNADO—AUTOMOBILE—INLAND MARINE

of the dwelling. Then demand would be made for payment of the insurance on the furniture. Moving on to some other town, taking the much-insured but never damaged furniture with them, they would repeat the performance."

Similar cases have been reported from various points in a half dozen states.

### Georgia Reference Book Out

New Insurance Work Is Issued for the State by The National Underwriter

The new edition of the Georgia Underwriters Handbook, a reference work that is published by THE NATIONAL UNDERWRITER, is out. This volume contains a large amount of Georgia insurance information, aside from the list of agents and their companies scheduled from every point in the state. For instance, the first 136 pages are given to company and miscellaneous information regarding Georgia insurance. There are many pages of valuable statistics showing the status of the business in the state for all kinds of insurance. Georgia is important from the insurance standpoint, owing to the fact that so many large offices are located at Atlanta. It

is a work that should be on the desk of everyone interested in Georgia insurance activities.

### Railey Gets Sentinel

NEW ORLEANS, March 9.—C. R. Bailey, president of Bailey & Co., has been appointed general agent in Louisiana for the Sentinel Fire of the Springfield group. C. L. Garnett, secretary of the Sentinel, was in New Orleans to close the deal. Mr. Bailey is already planting the Sentinel throughout the state.

### Companies Seek to Intervene

NEW ORLEANS, March 9.—Petitions for permission to intervene in behalf of the Louisiana insurance commission in two suits brought against the commission by the Jung Hotel, W. M. Campbell and W. M. Bailey, have been filed by 265 fire companies. The suits, which were filed several days ago, attack the present practices of the commission and allege that the existing system of gathering information for fixing rates is illegal. Both petitions seek large scale adjustment of rates. The companies state that they are vitally concerned with the cases and ask for permission to intervene. They present exceptions of no right or cause of action.

## PACIFIC COAST AND MOUNTAIN

### Careful Underwriting Urged

Martin Gives Points to Check in Scrutinizing Risks During Present Economic Conditions

SAN FRANCISCO, March 9.—In the first of the spring series of lectures for associate members of the Fire Underwriters Association of the Pacific, President John H. Martin, assistant general agent Home of New York, discussed "Underwriting During Times of Depression." He urged the most careful scrutiny and consideration of all risks submitted, pointing out that present day business conditions have placed a definite additional responsibility on the shoulders of fire underwriting.

The percentage of commercial failures in the United States increased from 1.04 percent in 1929 to 1.33 percent in 1931, Mr. Martin stated. Losses incurred by companies were 2.5 percent lower for the first 10 months of 1931 than for 1930.

Pointing to the lowered expenses of companies, Mr. Martin said that "with a continued economy program and more careful underwriting, the prospects for 1932 should bring some ray of comfort to the harassed insurance executive."

He pointed out what can be done to "help matters," giving first consideration to careful underwriting of farm risks. "Farm property," he said, "should not be insured for more than 50 percent of present day replacement values, which are approximately 25 percent of those of a year or so ago."

Mr. Martin gave a list of 20 classifications of property that should be carefully watched in the matter of underwriting, including that affected by slackening trade, drastic drops in values of merchandise, slowing up of factory production and properties with inflated valuation, pointing particularly to restaurants, cafes, lunch and tea rooms, barber shops, pool halls, confectionery and soft drinks, small town rooming houses, dwellings or contents written for a one-year term, cigar factories or dress-makers' or other shops in dwellings, stovepipe risks.

He urged also careful scrutiny of the assured listing specifically 12 classes including "certain nationalities," persons with fire or bankruptcy record, persons who have served a jail sentence, bootleggers, women insureds used as

"masks" for men with bankruptcy, fire or other unsatisfactory records, guardians for minors, trustees, incompetents, persons with poor commercial rating, newcomers, persons living beyond their means and business from agencies where the loss ratio over a period of years has been 65 percent or more.

### Miller Quits General Agency

Well Known Denver Firm to Be Known Hereafter as Cobb & Stebbins—Established in 1870

DENVER, March 9.—Clarence Cobb and Herbert Cobb Stebbins have purchased the interest of Ernest J. Miller in the Cobb, Miller & Stebbins general agency, and hereafter the firm will be known as Cobb & Stebbins. The change was effective March 1.

Mr. Miller will discontinue activity in the fire insurance business, and will engage exclusively in the surety and casualty lines as a general agent. He became associated with Messrs. Cobb and Stebbins Jan. 1, 1923.

The Cobb & Stebbins general agency was established in 1870 by Charles D. Cobb, father of Clarence Cobb, and is one of the oldest general agencies in the United States.

### Charlton Heads Credit Men

Los Angeles Organization Has Marked Success in Collections—Expect to Extend to Fire Field

LOS ANGELES, March 9.—At the annual meeting of the Insurance Credit Clearing Association of Los Angeles last week H. Everett Charlton, Seyler-Day agency, was unanimously elected president. Other officers elected were: Geo. F. Houghton, Hartford Accident, vice-president; Don R. Sessions, American Automobile, secretary, and Hugo Methmann, Fireman's Fund Indemnity, treasurer. New executive committeemen are Henry Dimling, Fred A. Spear, L. S. Moorhead, S. H. Boughn, F. G. Fairbank and H. L. Seaton.

In his report Frank E. Crosby, manager, stated that 16,869 policy cancellations were handled in southern California in 1931, of which 65 percent were cancelled for non-payment of premium,

the remainder being eliminated for underwriting causes. Attention was directed to the fact that over \$10,000 of earned premiums due companies but considered uncollectible was collected by the association for various members, and that 600 agents and brokers in southern California were reported as undesirable from the credit viewpoint.

President Charlton, in his remarks following election, announced that this year the association will undertake to extend its activities to fire insurance lines. With 15 companies participating, the recently established marine department is developing rapidly and the inclusion of fire companies is considered a desirable forward step.

### Don Huddleston Honored

SAN FRANCISCO, March 9.—Don Huddleston, recently appointed manager of the Aetna at Los Angeles, was guest of honor at a banquet of the Aetna-Century Men's Club. H. B. Murray, recently appointed special agent for northern California, succeeding A. S. Willis, who is to assume duties at the San Francisco office, was also an honor guest.

### Delinquent Agency Conference

DENVER, March 9.—Frederick Williams, secretary of the Rocky Mountain Fire Underwriters Association, will attend the quarterly meeting of the staff committee of the National Automobile Underwriters Association in Savannah, Ga. He will stop in Chicago for a conference with members of the Rocky

Mountain supervisory committee as to a measure recommended by the Mountain Field Club for regulating delinquent agencies. If adopted in its present form by the supervisory committee it would authorize the suspension of delinquent agents for one year.

### Tuttle on Coast Trip

Charles R. Tuttle, of Chicago, western manager of the North America, is spending some time in San Francisco in conference with McClure Kelly, Pacific Coast manager. Mr. Tuttle plans to spend about a month on the Pacific Coast.

### Oakland Puddle Gives Dinner

The Oakland puddle of the San Francisco Blue Goose held a dinner and entertainment March 4. Stanley McPherson, "big toad" of the puddle, presided. A feature of the evening was a talkie entitled "Black Night."

### Harris Independent Adjuster

Hugh M. Harris, formerly of Harris & Spear, has become an independent adjuster with headquarters at Eureka, Cal.

### Hear Talk on Examinations

Lawrence Rouble, supervising examiner of the California department, was the speaker at the March 7 luncheon meeting of the San Francisco Blue Goose on "The Examination of an Insurance Company."

## EASTERN STATES ACTIVITIES

### New York Investment Bill Up

#### Companies Oppose Measure Limiting Scope of Securities—Doyle and Drake Represent Carriers

ALBANY, March 9.—The Wheatley bill amending the insurance law in relation to investment of capital and surplus has been broken down into three bills and the superintendent is only inclined to push one measure for passage. It provides that a domestic insurance corporation other than life may only invest in stocks, bonds or other securities specified for the investment of its minimum capital or of a class in which domestic life companies are authorized by this chapter to invest, unless at the time of such investment or loan the amount of the assets of such corporation (exclusive of its capital and any deposit which it may be required to make with the superintendent of insurance) invested in or loaned upon the pledge of stocks, bonds or other evidence of indebtedness of a class specified or authorized as aforesaid is at least equal to 20 percent of its combined accrued premium reserve and loss reserve funds at such time.

J. H. Doyle, National Board, in attacking the measure, said that a fire company's assets are predicated on a fluctuating base; that a fire company might be within the 70 percent requirement, and then as the result of a conflagration find itself outside the requirements overnight. "The investment section," said Mr. Doyle, "has been in the law a long time and nothing has gone through the period of depression with better results than the fire companies. I don't believe this is necessary legislation, I don't believe this is the time to interfere with the capital structure of any institution unless there is necessity for it."

Harvey J. Drake, former insurance department attorney, representing the Association of Casualty & Surety Executives, also spoke against the bill.

The superintendent of insurance speaking in favor of the bill declared

that the entire object of the bill was to chart a course for future guidance of insurance companies in the matter of investments and that it was not the intention of the department to cause any insurance company to suffer a loss. Companies should be held up to a proposition that they should not be allowed to speculate or if they are allowed to speculate then it must be along very limited lines the superintendent declared.

### Syracuse Agents' Dinner

The annual all-insurance dinner of the Syracuse, N. Y., Underwriters Exchange will be held next Monday evening. The program embraces two speakers. S. F. Westbrook, vice-president Aetna Life, is to discuss the present day financial investment program and opportunities of insurance companies. The other is Dr. O. D. Chapman, a well known humorist. It is expected that about 200 central New York insurance men will attend.

The committee in charge of the arrangements is made up of F. V. Bruns, chairman; E. A. Beach, Walter Attridge and W. E. Day.

## Motor Insurance Events

### Agents Pleased with Form

Find Comprehensive Auto Policy Has Great Possibilities, Rate Manual Simplifies Sales

NEW YORK, March 9.—Though sufficient time has not yet elapsed for the fire companies to hear from the agency force generally regarding the comprehensive form of automobile policy, recently put on the market by members of the National Automobile Underwriters Association, many local agents already have expressed themselves on



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the subject, and without exception the  
comment has been favorable.

The prevailing feeling is that the contract will prove highly popular with motorists, since it covers under one head virtually all common hazards save public liability and property damage, and even the latter may be secured through the medium of endorsement for a slight added premium. Particularly are the agents pleased with the rate manual, declaring it to be so simple and clear in arrangement as to enable the immediate naming of a rate in marked contrast to the thumbing of leaves necessary with last year's book in order to find the cost of each of the varied forms of protection now embraced in the comprehensive policy.

It is maintained that by virtue of the new contract sales resistance to the manifold forms previously encountered will be largely overcome and agents enabled to write an increased volume of business.

With the great extension of hard-surfaced roads, better traffic regulations and improved automobile construction, underwriters assert that relatively few cars are now laid up during the winter months, and the earned premium period, save perhaps in certain sections of the northwest, virtually extends throughout the year.

## Reliance Auto Is Reinsured

Assets and Liabilities of Peoria Reciprocal Assumed by Central States Motorists, Chicago

Assets and liabilities of the Reliance Automobile Underwriters of Peoria, Ill., have been taken over by the Central States Motorists of Chicago, which is affiliated with the Motorists Association of Illinois. President Rufus M. Potts of the Central States Motorists states that no commission was paid for the business.

Last year, A. L. Whitmer, chairman of the Chicago National Life, entered a contract to buy the Reliance Agency Corporation, attorney-in-fact for the Reliance Automobile, from the Globe Securities Company, but the deal was not consummated.

Judge Potts states that the present office of the Reliance Automobile Underwriters in Peoria will be retained, for a year at least, as a branch office of the Central States Motorists. F. A. Campbell, who has been connected with the Central States Motorists since its organization last year, will be stationed at Peoria as district manager. He was formerly for many years connected with the Associated Employers Reciprocal of Chicago, which was operated by Sherman & Ellis. Certain officials of the Reliance Automobile are being retained in the new organization. They are: B. G. Moutier, who has been president of the Reliance Agency Corporation; B. E. Coffey, chief claim adjuster, and A. J. Hagele. The Chicago office of the Reliance which was manned by L. V. Drake, attorney, and Elmer Johns, production manager, is discontinued.

Judge Potts states that the premium income of the Reliance Automobile was about \$159,000 last year. As of Dec. 31, 1930, the Reliance Automobile had assets of \$102,912; loss reserve, \$15,439; unearned premiums, \$27,833; surplus, \$50,939. Its premiums written in 1930 were \$214,634; losses paid, \$128,797; adjusting expenses, \$27,936. The Reliance started in 1920 as the Reliance Automobile Indemnity Exchange, and assumed its present title in 1925. In 1929, the business of the Auto Owners Underwriters of Kankakee, Ill., and that of the Colonial Casualty Underwriters of Peoria, was reinsured by the Reliance.

National Union, American  
Surety Have Joint Policy

The National Union Fire and the American Surety have entered into an

agreement for the issuance of a joint automobile policy. Heretofore the National Union Indemnity provided the automobile casualty coverage, but that company is being completely reorganized and is retiring from the automobile liability field.

## MARINE NEWS

## I. M. U. A. Deadline March 17

That Date Ends 60-day Notice of Resignation Period and Brings Test of Members' Loyalty

An error in computation was responsible for the misstatement that affairs in the Inland Marine Underwriters Association are coming to a head March 14, when in fact the date is March 17. This is 60 days after the St. Paul F. & M. filed written notice of resignation, that period being required by I. M. U. A. rules. The St. Paul's notice was dated Jan. 21.

It may be of interest that the rule also states that any member company which withdraws without notice or intentionally violates I. M. U. A. rules while resignation is pending is to be deemed to have forfeited its honor.

## Tomlinson Assistant Manager

SAN FRANCISCO, March 9.—W. J. Tomlinson has been appointed assistant marine manager here of Talbot, Bird & Co. W. L. Dawes is Pacific Coast marine manager.

Mr. Tomlinson has been prominent in marine insurance activities for the past ten years, formerly with the Fireman's Fund and more recently with John G. Johnston & Co., brokers.

The National Liberty has been licensed in British Columbia.

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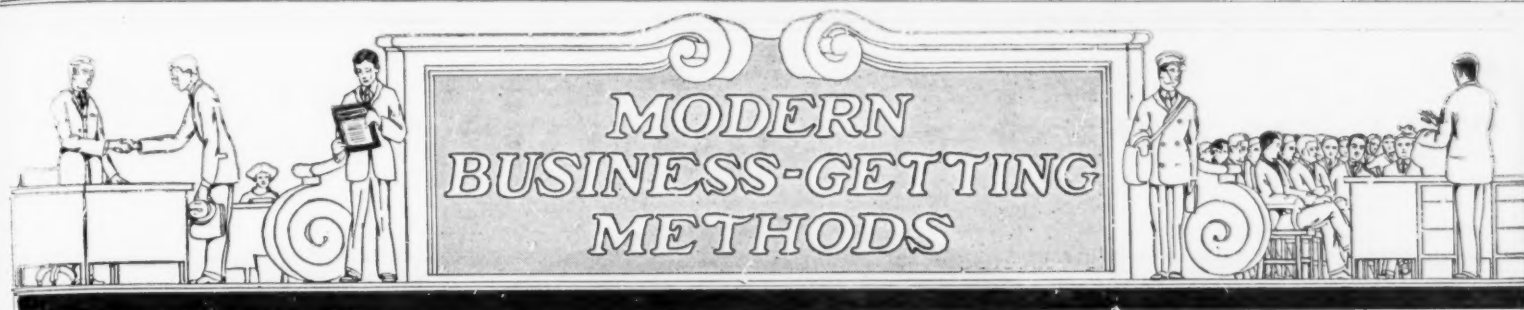
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## I. U. B. and Single State Forms Are Analyzed by H. R. Thiemeyer

The following analysis of I. U. B. and single state reporting forms was presented by H. R. Thiemeyer, field superintendent for the North America, at the Monday luncheon of the Illinois Blue Goose in Chicago:

The Interstate Underwriters Board was organized to meet the growing demand of insureds and companies to grant a legitimate reporting form of cover at a fixed rate. Before its organization multiple location risks were written under a so-called general cover contract, which was nothing more than an automatic binder given the insured being, in essence, an agreement on the part of the company to issue specific policies equal to the value of the merchandise as reported periodically by the insured. Tariff rates at each individual location were charged and premiums were adjusted monthly in accordance with the increase or decrease of values.

In the west, with the exception of Wisconsin, general cover contracts are no longer in existence, having been supplanted by single state A or B forms.

Due to the activities of brokers, agents, some insurance companies, generally non-affiliated, the reporting cover business was in a very disturbed condition and so the I. U. B. was organized. The plan was approved by the National Convention of Insurance Commissioners in September, 1928.

### Five Different Forms of I. U. B. Cover Originally

Originally the I. U. B. forms and rules provided for five different forms of cover, 1, 2, 3, 4 and 5. Forms 3 and 4 have been discontinued. No. 3 was for line grain elevator which is now specifically provided for in our state rule book. No. 4 was processor's form, excluding transit. By process was meant

bleachers, dyers, silk throwers, etc., and really are marine forms.

No. 1 provides for a monthly report of values as of the last day of the month; No. 2 for a monthly report of the daily average values on the last day of the month; No. 3 is a flat rate floater with limit of liability and is written with 90 percent or 100 percent coinsurance clause and there are no reports of value made. Under No. 5 insured must watch his gross value just as under any specific policy containing coinsurance.

Usually No. 5 has a limit of liability at known locations but insured is not required to report new locations and in the event of loss, the coinsurance or contribution clause applies to the gross values, and if insured is under-insured, he becomes a coinsurer.

### Now 498 Companies Under Interstate Board Rules

The I. U. B. does not issue policies; it is a rate and rule making organization only. At present there are about 498 members operating under the rules of the I. U. B. About 200 are underwriters agencies. To obtain a rate from the I. U. B. a statement of values must be prepared by insured on the application furnished; complete location and the value of the merchandise as to individual location is necessary; the present value at each location; the average estimated value, the limit of loss required; information about construction and certain questions on the application must be answered.

The agent or broker submitting the application becomes the broker of record and the application is filed with the board through some individual company. Information as to rate will be furnished only to the broker of record and the company filing the application.

Rates are made for fire and lightning, sprinkler leakage, windstorm and tornado, riot, civil commotion and explosion, or explosion without riot.

Any agent or broker may solicit this business. The actual writing is done in the company office. Agents, brokers or state agents may not issue these contracts.

### Five Locations Needed To Get Average Rate

It is necessary to have five or more locations to qualify for average rate; locations may be in one or more cities or towns and states. Application for rate must be signed by a qualified officer or member or employee of the insured. Rates are made to cover stocks of merchandise, furniture and fixtures and insured's interest in improvements and betterments to buildings.

No rates will be quoted under locations covering in or at manufacturing risks owned or controlled by the insured, and machinery must be eliminated.

If credit is wanted for specific insurance, it must appear on the application for rate and permission granted to carry specific insurance; otherwise, no credit is given and insured would then be in the position of paying for double insurance at some locations.

These policies can not be issued for more than one year.

### Problem of Fixing the Limits of Liability

Care should be used in fixing the limits of liability. The provisional amount of the policy is based upon the average estimated value except where that value at all locations is less than the highest limit of liability provided for in the application. In that event, the provisional amount of the policy becomes the highest limit of liability. Premium is collected on the I. U. B.'s average rate on this provisional amount and statements of value are then received each month until the termination or ex-

### Example of I. U. B. Loss Apportionment Is Given

A multiple location policy was in force covering the stock of a concern with a limit of liability of \$7,500 at any one location.

Last statement of value previous to fire reported merchandise valued at \$10,500 at location where fire occurred with \$3,000 specific insurance with 90 percent coinsurance clause attached.

Adjustment showed:

Damage, \$3,298.29.

Value of property on date of last report, \$12,400; instead of \$10,500 as reported.

Value at time of fire, \$12,171.

Settlement was as follows:

Company A, \$3,000 specific, 90 percent clause, 90 percent of \$12,171 or \$10,953.90. Paid 3,000/10,953.90 of \$3,298.28 or \$903.25.

I. U. B. contract, \$7,500 limit.

Last reported value, \$10,500.

Actual value at date of report, \$12,400.

Loss ..... \$3,298.28

Less specific payment ..... 903.25

\$2,395.03

Paid 10,500/12,400 of balance of loss (\$2,395.03) after the payment of specific (\$903.25) or 2.028.

Co. A—specific insurance—

paid ..... \$ 903.25

Co. B—I. U. B. contract—paid.. 2,028.00

Insured contributed..... 367.03

\$3,298.28

The damaged stock was turned over to the salvage company and the net proceeds amounted to \$336.67, which was distributed as follows:

To Company A—specific insurance..\$229.13

To Company B—I. U. B. coverage. 514.44

To insured ..... 93.10

piration of the policy and after twelve statements have been received, these are averaged and the premium adjusted according to the values.

Policy does not cover motor vehicles, property in transit, property on or in fairs or expositions, property in or at any manufacturing plant, owned or controlled by the assured, nor at any

(CONTINUED ON PAGE 34)

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# The National Underwriter

March 10, 1932

CASUALTY AND SURETY SECTION

Page Twenty-five

## Rogers Accident Bureau Chairman

**Named as Head of Governing Committee at Annual Meeting in New York**

### REVIEW NEW PROGRAM

**Strong Support Given Reform Measures—No Action on Commissions or Change on Renewals**

NEW YORK, March 9.—The new underwriting program of the Bureau of Personal Accident & Health Underwriters, effective March 1, has been wholeheartedly adopted by 30 companies with an annual premium income of \$58,000,000, it was reported at the bureau's annual meeting here Friday. Seven other companies, with an annual premium income of \$1,145,000, while not in complete agreement with every phase of the program, have signified their intention of following it to an important extent. Seven companies, representing nearly \$3,000,000 of premiums, are not yet in line, but the hope is expressed that some of them may be induced to accept the bureau program, in part at least.

#### Showing Is Satisfactory

This showing, brought out by the report of the standing underwriting committee, covering the progress of the new program upon which that committee has been working for nearly two years, was regarded as eminently satisfactory, in view of the extensive nature of the program and the fact that this is the first time any cooperative action involving fundamental changes of a sweeping character has ever been undertaken.

P. H. Rogers, assistant secretary of the Massachusetts Bonding in charge of its accident and health department, was elected chairman of the governing committee of the bureau, the company members on that committee being the Aetna Life, Connecticut General Life, Continental Casualty, General Accident, Globe Indemnity, Maryland Casualty, Preferred Accident, Standard Accident, Travelers and United States Casualty. F. Robertson Jones was reelected secretary, while Mr. Rogers was selected as councillor-delegate to the annual meeting of the Chamber of Commerce of the United States, with George Goodwin as alternate.

#### No Action on Commissions

While the advisability of making the new policy forms apply to renewal as well as to new business was suggested no action was taken. The prevailing opinion was that the bureau had already gone a long way and it would be unwise to attempt further effort at this time. As to commissions, bureau members held this was a matter beyond

(CONTINUED ON PAGE 33)

## Compensation Losses Cause Tightening of Underwriting

**MORE LINES ARE DEMANDED**

**Mid-western Branch Has Adopted Policy of Sound Practices Regardless of Competition**

Increasingly worse luck with workmen's compensation has brought a definitely tighter policy by the companies in one respect at least. Where in the past it was an accepted practice to write a plant's compensation insurance, even at a loss if necessary, in order to get the public liability, the companies now are demanding more of the general lines of the plant.

In fact, casualty companies attached to fire fleets now are being used as a vehicle to force plants to swing their fire and miscellaneous business as well in return for the generally unprofitable compensation lines, which often are written only as an accommodation.

#### Attempts to Underwrite

However, one company has attacked the problem of unprofitable compensation from another angle, that of attempting to underwrite it properly and make the risk profitable, or at least not unprofitable, through increased activities in the line of safety engineering, proper classification, exhaustive payroll audits, etc.

This development is being tried out by one of the very large middle western branch offices which recently consolidated its accident prevention and pay-roll audit departments. Since the change became effective Jan. 1, there has been no time to make comparisons and draw experience under the new plan, but the business so far indicates it will bring considerably increased premium income at the very least, and may in time make the office's experience profitable.

#### Rates Always Inadequate

The chief trouble with compensation as is well known is the apparent impossibility of keeping the rate scale up to present experience due to the fact that rates are based on experience of several years past and the latest experience is a year old. This has been accepted in many quarters as a condition of fact impossible to change. The western branch office came to the conclusion pay-roll audits were not sufficiently exact and that considerable premium was being lost on this score alone.

It is well known that some agents and brokers in order to meet competition, intentionally or otherwise misclassify risks, putting them in a bracket entitled to a lower rate scale. It also was decided that consolidation of the accident prevention or safety engineering and pay-roll audit departments would bring definite advantages.

#### How Plan Is Working

As the plan is working out, engineers go out on a risk immediately, conduct an exhaustive physical inspection and place the risk exactly in the proper classification. The pay-roll auditors then get busy and account for every penny of

(CONTINUED ON PAGE 33)

## Lawson Officially Suspends W. Va. Auto Rate Increase

**COURT ACTION IS FORECAST**

**Commissioner Says National Bureau Is Not Legally Entered in the State**

NEW YORK, March 9.—At this writing the court order which Commissioner Lawson of West Virginia sought to restrain the National Bureau companies from putting into effect the new automobile liability and property damage rates in the state has not reached New York. In the absence of any prohibition the companies are insisting upon collection of the revised tariffs. What action will be taken will be determined when the expected court order is served.

Increased automobile liability rates in West Virginia have been officially suspended by Commissioner Lawson on the ground that the National Bureau of Casualty & Surety Underwriters has never filed a copy of its constitution and by-laws with the secretary of state of West Virginia nor complied with other details of the foreign corporation laws.

This action was taken after a hearing before Commissioner Lawson, at which William Leslie, assistant manager of the bureau, represented the companies. Mr. Leslie stated that proper legal steps would be taken properly to qualify the bureau in West Virginia and then another notice of increased rates would be filed.

The likelihood is that the second notice of increased rates would be contested, perhaps suspended and then the issue would be submitted to the courts.

#### Delay Regretted

Mr. Leslie, at the hearing, expressed regret that Mr. Lawson's ruling would necessitate a delay in getting the increase in effect because the companies are now losing money on the automobile business and had hoped to write the spring business under the new schedule.

Much of the hearing was devoted to a discussion of whether rates should be calculated upon the basis of losses paid to premiums received or losses incurred to premiums earned. Mr. Leslie advocating the latter method and the West Virginia officials the former. This controversy was reviewed extensively in last week's edition of THE NATIONAL UNDERWRITER.

Among those present at the hearing were Charles Thornburg of Huntington and F. R. Bell of Charleston, members of the committee of the West Virginia Association of Insurance Agents investigating the rate situation; Deputy Commissioner W. E. White; Assistant Attorney Generals Neffen and Blessing; Harlan Justice, Huntington, secretary of the West Virginia association; H. O. Ross, Wheeling, representing the Travelers; W. H. Osborn, Wheeling, Aetna Life; Homer Hanna and L. E. Huffman, representing Charleston agents; C. V. Feller of Mullens; E. J. McDonough, Charleston, representing the Fidelity & Casualty; R. K. May and R. A. Rohrick of Pittsburgh, representing the Commercial Casualty and Metropolitan Casualty.

## N. Y. Not Pioneer in Penalty Plan

**Maryland and Connecticut Enforce Auto Public Liability Demerits**

**DIFFERENCES ARE CITED**

**Under New York System Surcharges Are Graduated—In Other States Flat Penalty Charged**

NEW YORK, March 9.—The imposition of penalty charges in automobile public liability coverage upon persons convicted of violating the financial responsibility act of the state, as recently adopted by casualty companies under direction of the insurance department, has been in operation in Connecticut and Maryland for some time, the conditions governing the penalties here differing somewhat, however, from those in the other states.

#### Impose Heavy Penalties

In New York, the penalties range from a surcharge of 10 percent to 50 percent, according to the seriousness of the law infraction, while in Maryland the surcharge is flat 10 percent of the computed premium applied pro rata from the date of the violation.

Section 94-a of the vehicle and traffic law of New York provides that any person who shall be convicted of, plead guilty to, or forfeit a bond given for one of the following offenses shall have his operator or chauffeur's license and all motor vehicle registration certificates issued to him suspended: Reckless driving or speeding, where injury to person or property results therefrom; driving without an operator's license; driving while intoxicated; leaving scene of an accident, without stopping; any one of the above offenses committed in another state.

#### Further Provisions

The statute further provides that suspended licenses shall not be renewed "nor any motor vehicle be thereafter registered in the name of the person," until he furnish proof of his ability to pay judgment for damages in \$5,000/\$10,000 amounts and for property damage \$1,000.

When a motorist is involved in an accident he is required to file a certificate showing that he is insured whereupon the suspended license is reissued.

#### Purpose of Proposal

The plan is designed to cause greater care in motoring and is the initial effort of the department in that direction, the understanding being that other requirements will later be applied and gradually a thoroughly practical demerit rating system developed.



## Cook County Plate Glass Bureau Project Advanced

### CONSTITUTION IS SUBMITTED

G. E. Wilkinson to Have Charge of Signing Up Home Offices in Reform Move

Preliminary steps were taken at a meeting in Chicago Tuesday toward launching the Cook County Plate Glass Bureau. Copies of the constitution and by-laws were submitted by a committee headed by H. S. Slipner of the Bankers Indemnity. Of the 35 companies represented at the meeting, 14 signified willingness to join the proposed bureau and 21 said they were without authority to speak for their home offices.

Each person represented was requested to send a copy of the constitution and by-laws to the head office with the understanding that G. E. Wilkinson of the Metropolitan Casualty at Newark would later call on the home offices and get their reactions. Mr. Wilkinson is chairman of a committee of eastern executives appointed to reform plate glass writing in Chicago. One of the suggestions of that committee was creation of a bureau in Chicago.

The 14 companies which signified readiness to sign up were members of the Moore Rating Bureau and non-bureau. A spokesman for that group states, that whether or not National bureau companies join the Cook County Plate Glass Bureau, such a bureau will be created for non-bureau and Moore Rating Bureau companies.

#### Membership Rules

The constitution and by-laws were prepared by a committee consisting of the Bankers Indemnity, New Jersey Fidelity & Plate Glass, Continental Casualty, Fidelity & Casualty, United States Fidelity & Guaranty, and Metropolitan Casualty.

Resident managers and general agents would be eligible for membership, only one vote per company being allowed, however. A two-thirds vote of those present at meeting would be necessary to elect a new member. Officers would consist of president, vice-president, secretary and treasurer. The secretary would be appointed by the rating committee and would be a full time employee. Membership fee would be \$100 and assessments to make up deficiencies would be based on net plate glass premiums. Minimum annual assessment would be \$50. Thirty days notice of withdrawal would be required.

Each member during the first year would be required to make rates for all risks expiring on its books. The basic rates would be the 1929 manual subject to discounts to be determined by a majority vote of the bureau.

#### Rate Deviation

Any filed rate deviation from the premium charge for the first year and which is greater than the basic rate would be accompanied by the experience justifying the increase, but should not exceed contemplated loss ratio of 40 percent.

Each member would file with the secretary on a standard card the location of each risk, the number of plates, mirrors, show cases, art glass signs, lettering, describing it in detail, without giving sizes.

The premium charges on each risk must under the proposed by-laws be attached, the application showing that premium has been filed with the secretary and each premium so filed shall be the fixed premium on such risks for all members.

Each member must file cards for each month's expiration 60 days in advance. New business would be regarded as risks not insured for one year as well as new values. New business would be

## Named as New Chairman of Governing Committee



P. H. ROGERS

P. H. Rogers, assistant secretary Massachusetts Bonding in charge of its accident and health department, was elected chairman of the governing committee of the Bureau of Personal Accident & Health Underwriters at its annual meeting. Mr. Rogers has been very active in the Health & Accident Underwriters Conference as well as the bureau and is now a member of its executive committee.

rated according to rules adopted at the first meeting of the bureau for the purpose of making rates or would be left to the executive committee.

#### Regulation of Commissions

The number of agents which a company might appoint in the county and commissions would be governed by the bureau. Fines would be provided for violation.

Business may under the project be written on the one year term basis only except up to six months of the second year at pro rata rates or less than one year at short rates. Policy forms would be determined by the bureau. There must be nothing on the policy to show how the rate is arrived at.

Complaints would be filed with the secretary and after ten days, during which the complaint might be withdrawn, the secretary would get an affidavit of answer from the accused. This would then be referred to an arbitration committee to consist of one person representing the accused, one the complainant and a third the choice of the other two members.

There would be a general arbitration committee of three members appointed by the president to serve as an advisory board. The executive committee would consist of the president, vice-president and treasurer.

Rates could be requested by telephone or in writing and rates would be sent in sealed envelopes by a regular messenger to be employed.

#### Responsibility Bills Up

Financial responsibility bills affecting motorists are under review in the Kentucky and Virginia legislatures. Though a number of measures affecting insurance interests, some seriously, are before the New York legislature, none has been enacted thus far. Whether any will pass prior to close of the sessions March 11, remains to be seen. All bills not previously killed have been referred to the committee on rules, which means they can be considered on the floor.

## Grand Jury Votes No Bill Against the Two Promoters

### ACTION IS TAKEN AT DALLAS

Darby Day and J. B. McCutchan Escape in Connection with Purchase of Automobile Underwriters

DALLAS, TEX., March 9.—Darby A. Day of Los Angeles and J. B. McCutchan, charged here by complaint in November with embezzling \$200,000 from the Automobile Underwriters, were no-billed by the grand jury after an investigation of three months. The complaint against Messrs. Day and McCutchan were sworn to by the receiver. Neither of the men was ever arrested, both being out of the state and a grand jury indictment was being awaited to ask extradition for them.

According to the complaints filed here Mr. Day came to Dallas in the summer of 1930 and borrowed \$200,000 from a Dallas bank with which to purchase the controlling interest in the Automobile Underwriters. The complaint said he took over the concern in July, 1930, and in a short time arranged to take \$200,000 of its money to purchase another insurance company. It was then charged in the complaint that Mr. Day, through an agent, took the \$200,000 of the company's money and paid his personal note at the Dallas bank, when the bank began to press for payment.

The Automobile Underwriters was forced into a receivership when the big Day bubble burst and several other allied concerns "went to the wall."

## Oregon Branch of Bureau Holds Annual Gathering

PORTLAND, ORE., March 9.—At the annual meeting of the Oregon branch of the National Bureau of Casualty & Surety Underwriters, H. F. Curtis, Portland branch manager, read a report of bureau activities last year, which was followed by a general discussion of merit rating of automobiles and reorganization of the casualty and surety association of Portland. On the sectional committee for the coming year, the Norwich Union Indemnity was appointed chairman to serve with the Globe Indemnity and Standard Accident.

#### Fishback Rejects Plan

OLYMPIA, WASH., March 9.—Commissioner H. O. Fishback has declined to entertain the proposal of a delegation from the King County Insurance Association that he reconsider a recent ruling requiring endorsement of automobile policies affected by the recent rate changes. The agents objected that endorsement of policies and the charge of additional premium would work a hardship on them in keeping January business in force. The change in rates effective Feb. 1, they said, came without notification, and many automobile policies expiring in February had been rewritten at the old rates and were already in possession of assureds.

Commissioner Fishback stated that the insurance code is clear on the point and he has no alternative.

#### Three Illinois Meetings

Three meetings for agents of the United States Fidelity & Guaranty in Illinois outside of Cook county are to be held this month, at Kewanee, March 17; Freeport, March 22, and Joliet, March 24. Manager W. O. Schilling of the branch office at Chicago and L. W. Berger, superintendent of the Insurance Exchange service office, will preside and lead discussions on educational matters and field problems.

## Jaywalking Is Not Bar to Recovery in Nebraska

LINCOLN, NEB., March 9.—A jaywalker has his legal rights, says the Nebraska supreme court in Lustgarten vs. Harris, just decided, and may recover damages for injuries sustained at the hands of an automobile driver, even though he was crossing the street at other than the intersection. Where the driver sees the person crossing the street so that by the exercise of due care he could have stopped, it is for the jury to pass on the question of comparative negligence, and its judgment stands.

## Georgia Men Advised Not to Sign Commission Cut

Scott Nixon of Augusta, president of the Georgia Association of Insurance Agents, has sent a bulletin to members suggesting that new contracts granting a 2.5 percent reduction in compensation commissions not be signed until "the matter is definitely settled." He said that the issue is still "in the air." "This association," Mr. Nixon declared, "is negotiating for an early conclusion and I will advise you as to the final outcome, which we hope will be in the next two weeks."

#### U. S. F. & G. Conference

DES MOINES, March 9.—The Iowa and Nebraska department of the United States Fidelity & Guaranty, under Manager J. Dillard Hall, Des Moines, held a two-day agency conference here last week. R. Howard Bland, chairman of the board, and S. Blount Mason, vice-president, were present from the home office. Fifty agents attended.

#### Michigan Club Meeting

Directors of the Casualty & Surety Field Club of Michigan selected April 1 as the date of the next meeting at a gathering in Detroit. The session will be in that city, P. F. Lee, Michigan branch manager United States Fidelity & Guaranty, acting as chairman.

## Advertising Exhibit to Feature Regional Meet

Advertising prepared by southern members of the Insurance Advertising Conference will feature the southern regional meeting at Dallas, April 17-19, according to Rex B. Magee, Lamar Life, chairman. John W. Murphy, Pan-American Life, has been appointed chairman of the advertising exhibit and invitations to submit entries of advertising material have been sent all members of the southern group.

The advertising exhibit will be divided into two sections, the first a competitive exhibit of trade journal, direct-mail and newspaper advertising, in which three trophies are offered the winning contestants. "Texas Insurance" will award a cup for the best trade journal advertising, the organization a cup for the best direct-mail advertising and the Dallas "Morning News" a cup for best newspaper advertising. Cups will become the permanent property of the winner when won three times. Certificates will be awarded for first and second places. Three prominent Dallas advertising men will serve as judges.

The other division of the exhibit will consist of entries of all sorts of advertising and sales promotional material submitted for general display only.

Lorry A. Jacobs, Southland Life, is local chairman of the southern regional meeting.

## Jersey Situation Proves Disturbing

Agents Complain of Lack of Facilities for Extra-Hazardous Compensation Risks

### STATE FUND ALTERNATIVE

Condition Has Been Met Successfully in Many Other States Through Rating Bureaus

NEW YORK, March 9.—It was unfortunate that no casualty company official attended the semi-annual meeting of the New Jersey Association of Underwriters at Trenton when one of the agents complained of the inability of a client to get workmen's compensation coverage upon his plant from any of the admitted carriers, and declared there is no alternative but enactment of a competitive state fund. This conclusion apparently met general assent.

As a matter of fact, casualty companies for some time have been meeting just such condition in a number of states, specifically in Minnesota, Missouri, North Carolina, Virginia, Vermont and Wisconsin, as well as the District of Columbia, and with satisfactory result.

#### Method of Procedure

Under the plan, when a particular risk fails to get coverage after submission to all companies, the matter is referred to the rating bureau having jurisdiction. The latter circularizes member offices, giving full particulars as to character and experience of the line, and asks for its voluntary acceptance by any company.

Should there be no tenders, the risk is then assigned by the bureau to an office which, in the absence of sufficient excuse, is obligated to accept it. While occasionally a line, because of the poor quality of the labor employed, indifference to accident safety requirements, improper payroll reporting or other cause, is not deserving of coverage, it is not granted. The percentage of instances where this condition arises, however, is very small, the voluntary plan of the companies taking care of virtually all risks that can possibly be insured.

#### Pennsylvania Pool Plan

When the Pennsylvania workmen's compensation law was made applicable to mining properties in 1916, ten casualty companies, recognizing their obligation to grant coverage to all concerns required by statute to carry it, formed a pooling arrangement under the title of the Associated Companies. Restricted at first to assuming liability on mining properties, the activities of the body were later extended to take care of automobile bus lines and other types of risk subject to the catastrophe hazard, and which no single office cared to assume.

The experience of the pool was anything but satisfactory, losses each year proving excessive, and the result was that company after company withdrew from the arrangements until but four were left. They too became tired of the experiment and in 1928 the association was formally dissolved, its operation through the years having cost the contributing companies several million dollars.

The Utilities Insurance Company of St. Louis, recently organized to take over the business of the Utilities Indemnity Exchange, has been licensed in Nebraska.

## Minority Stockholders File Suit Over Southern Surety

HOLD COMPANY WAS DAMAGED

Home of New York Management Ridicules the Effort to Recover Over \$10,000,000

T. L. Tarlton, president of the Tarlton Construction Company at East St. Louis, Ill., and E. A. Luther of St. Louis, manager of the Ohio Casualty, who was formerly connected with the Southern Surety, as minority stockholders of the company filed suit in New York charging that the company has been damaged in excess of \$10,000,000 and has been almost completely destroyed as a going concern. The suit seeks an accounting and restoration of between \$10,000,000 and \$12,000,000. The defendants are the Southern Surety, Home Indemnity and Home Fire of New York. It is claimed that in its affiliation with the Home group, the Southern Surety has been deprived of valuable assets, business and normal income. It is claimed it has been rendered unable to continue its business except at a loss. Associated in the case is R. R. Rasquin, who recently resigned as president of the Consolidated Indemnity. L. E. Wilkins has been retained as consulting accountant by the minority stockholders and is a member of the Southern Surety stockholders' committee.

#### Statement by the Home

The statement given out by the Home administration follows:

"Referring to the newspaper article regarding a suit begun by some 'minority stockholders' of the Southern Surety officers of the latter stated today that not having been served with a copy of the summons and complaint, they have no particulars other than such as appeared in the newspapers. However, the Home Fire does not and never has owned a share of Southern Surety stock. Casualty underwriters will have difficulty in suppressing a smile when a high value is placed on an agency plant or business of a casualty company these days. In any event, if such a suit is instituted it will be tried in the courts, not in the newspapers, at which time the baselessness of the claims will be fully established."

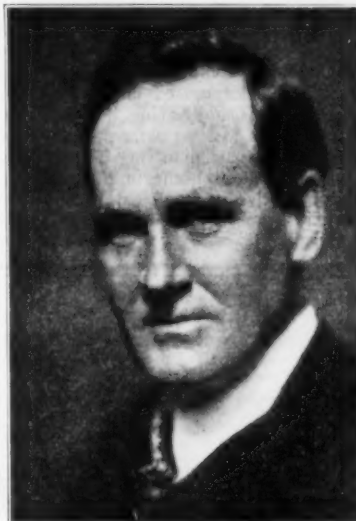
### Aviation Reports Increase

There appears to be some hope for aviation in view of the report on increased activities of commercial aviation in 1931 made public by the aeronautics branch of the Department of Commerce. There were 457,340 passengers carried, as against 374,935 in 1930; 41,416,688 miles were flown, as compared to 31,712,541 in 1930. Aircraft carried 787,353 pounds of express, against 359,523 in 1930, and passenger-miles flown were 104,018,022, against 84,015,572. The figures are complete for lines within the continental United States, save for a few operators who have not reported, but do not include operations of air line extensions to foreign countries.

### Oppose State Bond Scheme

NEW YORK, March 9.—Opposing the measure before the state legislature proposing a state bonding fund with which to meet defaults by contractors on public work, the Brooklyn chamber of commerce asserts that its enactment would launch the state in a legitimate private business, that of suretyship, a line of effort now well conducted by private enterprises. The principle involved is one of national importance, as the adoption of the proposed law here might serve as a precedent for similar action in other states.

## Midyear Speaker



ALBERT W. WHITNEY

Associate Manager A. W. Whitney of the National Bureau of Casualty & Surety Underwriters of New York will be one of the speakers before the mid-year meeting of the National Association of Insurance Agents at Cleveland March 23, when he will tell local agents how they can help in reducing automobile accidents.

## Hooper-Holmes Bureau Is Ready to Help Lindbergh

NEW YORK, March 9.—The Hooper-Holmes Bureau has sent a bulletin to all inspectors urging them as a voluntary duty to familiarize themselves with all details of the Lindbergh kidnapping case and forward to the executive office any information that might come to them which might have a bearing on the case. The bulletin was sent out with the idea that the bureau's inspectors are trained to constant observation and to the intelligent analysis of facts and information.

### Action of Three Companies

Of the three surety and casualty companies that failed to pledge support to the amended acquisition cost rules as filed with the New York department, two have submitted their own agency appointment and rating programs. As these differ in but slight degree from that of the majority companies, they have been accepted by Superintendent Van Schaick. The third company, on the other hand, has been called upon to make its rate filings and to justify them, as well as its acquisition costs, by experience data.

### Stone Columbia, S. C., Speaker

COLUMBIA, S. C., March 9.—Stressing the importance of insurance in business life, E. C. Stone, United States manager Employers Liability, spoke before the Lions club here.

"In the present time of depression in business and economic readjustment, insurance becomes more necessary than ever before," he said. "No one can afford a lack of protection in his business. Regardless of conditions, a man goes to a lawyer when in need of legal advice. In illness he goes to a doctor in whom he has confidence. The same policy should be followed in regard to insurance. The business man should call in an insurance expert in whom he has confidence and discuss with him what place insurance should have in the budget."

## Constant Changes Are Condemned

National Industrial Conference Board Objects to Perennial Tinkering

### COMPENSATION LAWS UP

Organization Declares That Employers Protest the Avidity of Legislators to Amend Act

NEW YORK, March 9.—In the concluding report of its survey of workmen's compensation insurance in 1931, the National Industrial Conference Board states that while "most employers have accepted the principle of workmen's compensation and are in sympathy with it," they object to the constant changes in state laws, holding that they no sooner become accustomed to one set of conditions before legislative amendments change the situation.

#### Sums Up the Changes

Summing up the changes effected by legislative amendments in 31 states last year, the board finds "the coverage provided by law was amended in 18 states; two additional states require the payment of double compensation when children, illegally employed, are injured; in one state the waiting period was reduced to one week and in another to three days; various changes were made in the provisions dealing with occupational diseases in six states; liberalization of benefits was carried farther in 14 states by such means as increasing medical benefits, increasing funeral benefits, raising the minimum or maximum weekly payments in cases involving death, or extending the number of weeks to be covered by payments for specified injuries."

After offering that the changes would in themselves justify an upward revision of compensation rates, the board states a "still more serious problem was presented to the rate-making bodies," through the falling off in the amount of payrolls due to the general business depression.

The report concludes with the interesting speculation as to what the effect in accident frequency is to be under present industrial conditions? "For example," it states, "working forces have had to be progressively reduced until only thoroughly competent and usually long-service employees remain on the payroll. Presumably, these should be the least liable to accident." Again, "most plants have been forced to curtail rather drastically their normal operating schedules or have accomplished a similar result by rotating the labor force to spread available work, thereby giving to employees longer rest periods between hours of duty. Has this longer rest tended to reduce accidents by diminishing the fatigue factor or have the frequent and somewhat prolonged breaks in the work routine tended to induce carelessness?"

### Law Shows Teeth

INDIANAPOLIS, March 9.—The financial responsibility law, which became effective last fall in Indiana, is beginning to make its teeth felt. Licenses of 175 motorists who have failed to comply with provisions of the law were impounded by state police March 1. Twenty-five motorists coming under provisions of the act have filed showings of financial responsibility.



## CASUALTY PERSONALS

**R. B. Armstrong**, Washington correspondent of the Los Angeles "Times," has been elected vice-president of the White House Correspondents' Association. Many years ago Mr. Armstrong cut quite a lively figure in the insurance field. He was assistant Secretary of the Treasury during part of the Roosevelt administration. Later he went to Philadelphia to become vice-president of the Philadelphia Casualty. That company

retired from business and Mr. Armstrong in connection with O. L. Van Laningham promoted the Consolidated Casualty, incorporated under the West Virginia laws and having its head office in Chicago. Mr. Armstrong was a former newspaper man in Chicago and therefore felt at home in that city. He became active in many enterprises aside from insurance. The Consolidated Casualty was taken over by another com-

pany and eventually became the Inter-Ocean Casualty, now of Cincinnati. Mr. Armstrong went to Los Angeles and engaged in newspaper work there before being assigned to the important post at the nation's capital.

**Benedict D. Flynn**, vice-president and actuary of the Travelers, completed 30 years' service in the company March 3. His business associates in the home office took recognition of the anniversary by presenting him several gifts, including a silver candelabrum, a brief case and many floral tributes.

The entire business career of Mr. Flynn, who is one of the best known

figures in the actuarial field, has been devoted to the Travelers organization. Upon his graduation from Trinity College he became a member of the Travelers staff in 1902 and within five years had attained the office of assistant actuary. Shortly afterward he was appointed actuary of the casualty departments and in 1913 was made assistant secretary. In 1922 he became secretary and in 1930 secretary and actuary, with immediate supervision of actuarial work in the Travelers Indemnity and the Travelers Fire as well as the Travelers.

**Stanley Maynard**, vice-president and supervisor of agents for the Standard Surety & Casualty of New York, was in Oklahoma last week.

"Adventures of Robert Ross, Insurance Solicitor," is the title of a volume by **R. H. Longmaid**, who is connected with the brokerage department of the United States Casualty in New York City. The first part of the book visualizes the sales presentations of the various casualty coverages and the second part is more technical.

**W. J. Gardner** of San Francisco, coast manager of the Ocean Accident and Columbia Casualty, was in Chicago last week en route home from visiting the head office in New York. Mr. Gardner was formerly Chicago manager of the New Amsterdam Casualty.

Vice-president **B. G. Wills** of the Fireman's Fund Indemnity in the current issue of the "Fireman's Fund Record" makes an appeal to agents to enlist in the cause of trying to reduce automobile fatalities. The agents are asked to arouse their various civic groups. In thousands of places Mr. Wills says the insurance agents constitute the only force capable of initiating a fight to save human life. The economic loss due to automobile accidents he puts at \$2,500,000,000. That is more than the sum appropriated for the Reconstruction Finance Corporation.

**James S. Kemper**, president of the Lumbermen's Mutual Casualty and American Motorists of Chicago, is on a trip to the Pacific Coast and is going to Hawaii for a vacation.

## Gibraltar Control Changes

DENVER, March 9.—Control of the Gibraltar Life & Accident has changed hands, according to W. H. Watlington, vice-president of the Colorado Life, who said the interests of S. Lester Guinn, president, and J. W. Sherman, vice-president, had been purchased by J. M. Campbell, president of the Colorado Life, who will become president of the Gibraltar.

The capital of the Gibraltar has been increased from \$100,000, to \$200,000, and the surplus from \$20,000 to \$75,000. Mr. Watlington said. An examination will be requested of the Colorado department, and entry into a half dozen western states is contemplated. Messrs. Guinn and Sherman have gone to Los Angeles where, it is reported, they will engage in the accident and health business. W. J. McGettigan, vice-president of the Gibraltar, probably will become executive head of the company.

## Holding Company Formed

A charter for the Southern Insurance Securities Corporation is being sought from the superior court of Atlanta by a number of insurance and financial men. The corporation would be in the business of buying and selling insurance stocks and organizing insurance companies. Capital will be \$1,000,000. George W. Powell, who was vice-president of the Georgia Casualty, and before that was connected with the American Mutual Liability, General Accident and Maryland Casualty, has established headquarters in the Norris building, Atlanta. Others who are interested are Horace Russell, J. A. Copeland and M. B. Farris.

# Centralize

## FOR "FRIENDLY SERVICE"

### Condensed Financial Statement

As Certified to the Missouri Insurance Department as of December 31, 1931

| ADMITTED ASSETS   |                       |
|---|-----------------------|
| Mortgage Loans on Real Estate, First Liens.....                             | \$ 859,342.77         |
| Bonds*  |                       |
| United States Government.....   | \$ 176,968.75         |
| State, County and Municipal.....  | 1,768,365.00          |
| Railroad.....   | 263,150.00            |
| Public Utilities and Miscellaneous.....                                     | 55,550.00             |
| Real Estate.....  | 25,861.06             |
| Premiums in Course of Collection, Under 90 Days.....                        | 544,344.27            |
| Cash in Office and Banks.....   | 521,163.47            |
| Accrued Interest on Investments.....  | 50,938.07             |
| Other Admitted Assets.....  | 21,305.87             |
| <b>Total.....</b>   | <b>\$4,286,989.26</b> |
| *Valuations approved by the National Convention of Insurance Commissioners. |                       |
| LIABILITIES   |                       |
| Reserve for Unearned Premiums, 50 percent Basis.....                        | \$1,103,912.85        |
| Reserve for Losses  |                       |
| Liability and Compensation, Schedule "P," Statutory.....                    | \$ 709,641.21         |
| Other than Schedule "P".....  | 173,657.24            |
| Reserve for Commissions, not yet due.....                                   | 133,855.96            |
| Reserve for Taxes and Other Items Payable.....                              | 67,251.91             |
| Reserve for Total Amount Final Payment on Agency Plan.....                  | 25,000.00             |
| Special Contract Reserve.....   | 236,833.76            |
| <b>Total Reserves.....</b>  | <b>\$2,455,152.93</b> |
| Capital.....  | \$1,000,000.00        |
| Surplus.....  | 831,836.33            |
| <b>Surplus to Policyholders.....</b>  | <b>\$1,831,836.33</b> |
| <b>Total.....</b>   | <b>\$4,286,989.26</b> |
| Net Premiums Written After Reinsurance.....                                 | \$2,643,623.46        |
| Increase in Premiums After Reinsurance.....                                 | 564,488.32            |
| Increase in Admitted Assets.....  | 344,675.39            |
| Increase in Reserves.....   | 435,473.21            |

### NATIONAL SERVICE

Automobile  
Plate Glass  
Burglary  
Public Liability  
Compensation  
Accident and Health  
Fidelity and Surety  
Bonds



## CENTRAL SURETY AND INSURANCE CORPORATION

KANSAS CITY

MISSOURI

DENNIS HUDSON, President

# *There is No Depression*

## IN DEPRESSION-PROOF SECURITIES

### The Record of Nine Panics

New York City guaranteed first mortgages, issued through title and mortgage companies operating under the New York Insurance Laws, have passed through nine major panics and depressions without default in the payment of principal and interest:

1. The Baring Crisis of 1891.
2. The Panic of 1893.
3. The Silver Depression of 1893-94.
4. The Rich Man's Panic of 1903-4.
5. The Panic of 1907.
6. The Depression of 1910-11.
7. The War Depression of 1914-15.
8. The Post War Depression of 1920-22.
9. The Depression of 1929-32.

Today, at what we hope to be the end of one of the longest recessions since the 70's, these short term guaranteed securities still hold firmly, and command an active market with banking institutions and insurance companies, *at par!* Can any other security, in any class or any market, display a like record?

### A Security's Best Testimonial is its Market

On January 1, 1932, over two-thirds of the outstanding guaranteed mortgages of State Title and Mortgage Company were held by financial institutions. The approximate distribution was as follows:

- 25% in amount was held by New York Savings Banks.
- 25% in amount was held by National and State Banks and Trust Companies.
- 18% in amount was held by Insurance Companies.

**Over 80%** of all mortgages sold by State Title and Mortgage Company during the past year were purchased by financial institutions.

### THERE IS NO DEPRESSION IN DEPRESSION-PROOF SECURITIES

# STATE

## TITLE *and* MORTGAGE COMPANY

CAPITAL, SURPLUS AND UNDIVIDED PROFITS OVER \$9,000,000  
(Operating under the Supervision of the New York Insurance Department)  
NEW YORK, NEW YORK

*Write today for offerings of New York guaranteed first mortgages yielding 5½% net*



## NEWS OF THE COMPANIES

### National Surety's Statement

#### Decrease in Premiums Attributed to Withdrawal From Unprofitable Lines, Depository Restrictions

The National Surety's statement as of Dec. 31 shows assets of \$41,985,888; capital, \$15,000,000; surplus, \$7,639,739; claims in adjustment, \$1,944,152; reinsurance premiums due other companies and accrued commissions, \$1,053,961; taxes and other items, \$618,287; dividends, \$150,000; unearned premiums, \$10,552,643; unreported claims, \$1,411,808; outstanding premiums over 90 days, \$503,281; for reinsurance in non-admitted companies, \$112,014; total liabilities, aside from capital, \$19,346,148. Securities are valued on the commissioners' basis.

Premiums written in 1931 totaled \$15,909,245, a decrease of 12 percent from 1930. President Allen states that approximately 30 percent of the decrease was attributable to withdrawal from unprofitable classes, restrictions on depository bond line and for other business reasons. The January writings were larger than in any previous month in its history. Expenses for the year decreased 17.5 percent. The National has weathered all periods of financial stress since 1893 and invariably has strengthened its position and prestige.

In 1931 the company paid losses in excess of \$11,000,000, all of which went to reimburse policyholders who might have been seriously affected without its protection.

#### Agents Firm in Stand

NEW YORK, March 9.—Despite the appeal of representative Minnesota cas-

ualty agents that conference casualty companies reconsider their edict that commissions upon workmen's compensation risks in the state be reduced from 17½ percent to 15 percent, from March 1, managers continue firm in their attitude that there is no means whereby acquisition cost can be brought within the limits set by Commissioner Brown. What applies to Minnesota holds with respect to Georgia, where a like reduction in commissions was asked for the same reason some months ago.

### European General's Figures

United States Manager T. L. Haff has presented the annual statement of the European General Reinsurance, showing assets \$16,617,010, loss reserve other than liability \$3,446,868, liability and compensation reserve \$2,842,853, premium reserve \$4,759,036, security depreciation reserve \$2,247,099, deposit capital \$850,000, surplus \$2,500,000. Surplus based on Dec. 31 market values would be \$2,120,000. The European General believes in putting up ample reserves to cover all contingencies.

### Union Indemnity Figures

The annual statement of the Union Indemnity shows assets \$15,746,510, claim reserve \$7,413,227, premium reserve \$5,794,421, capital \$1,000,000, net surplus \$513,469. The company states that since the compilation of the statement, the net surplus has been increased to \$1,013,469 by a cash distribution of \$500,000.

**Western Cas. & Surety**—Assets, \$3,083,387; unearned premiums, \$932,920; loss reserve, \$163,560; liability reserve, \$653,016; comp. reserve, \$42,598; capital,

\$750,000; net surplus, \$278,518. Experience:

|                            | Premiums  | Losses     |
|----------------------------|-----------|------------|
| Accident .....             | \$ 314    | .....      |
| Auto liability .....       | 1,087,824 | \$ 498,755 |
| Other liability .....      | 43,942    | 6,651      |
| Workmen's comp. ....       | 138,126   | 64,274     |
| Fidelity .....             | 11,597    | 55         |
| Surety .....               | 28,275    | 10,465     |
| Plate glass .....          | 39,120    | 10,808     |
| Burglary and theft. ....   | 46,337    | 19,043     |
| Auto prop. damage. ....    | 447,948   | 178,116    |
| Auto collision .....       | 64,248    | 38,568     |
| Other P. D. and coll. .... | 2,641     | 526        |
| Other auto .....           | 563       | 264        |

Total .....

\$1,910,934 \$ 818,515

**Michigan Surety**—Assets, \$725,904; unearned premiums, \$48,866; loss reserve, \$172,224; capital, \$297,091; net surplus, \$201,317. Experience:

|                | Premiums  | Losses    |
|----------------|-----------|-----------|
| Fidelity ..... | \$ 23,665 | \$ 50,272 |
| Surety .....   | 79,703    | 53,123    |

Total .....

\$ 103,368 \$ 103,395

**Calif. Cas. Indem. Exch.**—Assets, \$1,444,764; unearned premiums, \$154,872; loss reserve, \$13,229; liability reserve, \$66,963; comp. reserve, \$495,051; net surplus, \$490,958. Experience:

|                       | Premiums   | Losses    |
|-----------------------|------------|-----------|
| Auto liability .....  | \$ 183,588 | \$ 69,008 |
| Other liability ..... | 17,018     | 11,034    |
| Workmen's comp. ....  | 693,755    | 350,752   |
| Other auto .....      | 110,721    | 35,373    |

Total .....

\$1,005,082 \$ 466,217

**Auto-Owners, Mich.**—Assets, \$1,304,819; unearned premiums, \$526,343; loss reserve, \$211,002; net surplus, \$491,374. Experience:

|                            | Premiums   | Losses     |
|----------------------------|------------|------------|
| Auto liability .....       | \$ 401,002 | \$ 224,167 |
| Plate glass .....          | 2,594      | 649        |
| Auto theft .....           | 52,644     | 13,608     |
| Auto prop. damage. ....    | 239,405    | 69,667     |
| Auto collision .....       | 273,099    | 223,899    |
| Road trouble service ..... | 13,450     | 13,450     |
| Auto fire and tor. ....    | 67,097     | 16,875     |

Total .....

\$1,035,751 \$ 562,313

**Ocean Accel. & Guar.**—Assets, \$15,549,244; unearned premiums, \$4,730,706; loss reserve, \$1,271,751; liability reserve,

\$2,577,162; comp. reserve, \$3,501,840; capital, \$800,000; net surplus, \$1,764,332; experience, \$4,383,546.

|                            | Premiums   | Losses     |
|----------------------------|------------|------------|
| Accident .....             | \$ 598,673 | \$ 386,542 |
| Health .....               | 178,558    | 132,345    |
| Auto liability .....       | 2,355,498  | 1,484,573  |
| Other liability .....      | 1,060,303  | 304,427    |
| Workmen's comp. ....       | 2,727,991  | 2,141,210  |
| Fidelity .....             | 285,359    | 175,757    |
| Surety .....               | 66,918     | 139,579    |
| Plate glass .....          | 170,711    | 67,647     |
| Burglary and theft. ....   | 549,551    | 239,305    |
| Steam boiler .....         | 254,914    | 34,651     |
| Engine and mach. ....      | 231,230    | 48,808     |
| Auto prop. damage. ....    | 779,358    | 338,421    |
| Auto collision .....       | 111,561    | 61,092     |
| Other P. D. and coll. .... | 54,149     | 10,046     |
| Credit .....               | 268,255    | 609,149    |

Total .....

\$9,692,945 \$6,173,559

**Public Indem.**—Assets, \$5,001,392; unearned premiums, \$1,649,419; loss reserve, \$134,185; liability reserve, \$629,332; comp. reserve, \$246,585; capital, \$760,000; net surplus, \$822,725. Experience:

|                            | Premiums  | Losses    |
|----------------------------|-----------|-----------|
| Accident .....             | \$ 81,887 | \$ 28,162 |
| Health .....               | 43,846    | 16,293    |
| Auto liability .....       | 1,353,984 | 676,312   |
| Other liability .....      | 337,639   | 83,414    |
| Workmen's comp. ....       | 741,204   | 465,127   |
| Fidelity .....             | 43,792    | 1,433     |
| Surety .....               | 287,909   | 202,489   |
| Plate glass .....          | 72,317    | 34,753    |
| Burglary and theft. ....   | 72,217    | 22,848    |
| Auto prop. damage. ....    | 475,196   | 229,862   |
| Auto collision .....       | 91,029    | 49,022    |
| Other P. D. and coll. .... | 12,856    | 1,256     |

Total .....

\$3,613,876 \$1,811,071

**Amer. Policyholders', Mass.**—Assets, \$927,913; unearned premiums, \$6,334; loss reserve, \$55,571; liability reserve, \$2,500; comp. reserve, \$518; capital, \$300,000; net surplus, \$229,688. Experience:

|                         | Premiums | Losses |
|-------------------------|----------|--------|
| Auto liability .....    | \$ 7,417 | \$ 142 |
| Other liability .....   | 38       | .....  |
| Workmen's comp. ....    | 211      | 167    |
| Auto prop. damage. .... | 168,728  | 52,778 |
| Auto collision .....    | 11,475   | 4,250  |

Total .....

\$ 187,869 \$ 57,337

**St. Paul-Mercury Indem.**—Assets, \$3,831,585; unearned premiums, \$1,227,172; loss reserve, \$136,854; liability reserve, \$949,-

**"I want a company  
that will be here  
as long as I am"**

observed a prominent general agent recently  
as he put his name to an Eagle contract!

The Eagle, a member of the Royal Group,  
offers financial stability, world-wide service  
facilities, and effective sales co-operation.

*If you are looking for such a company,  
write or wire*

**EAGLE INDEMNITY COMPANY**  
**150 William Street, New York**



THOMAS L. BEAN  
Production Manager

|  |           |          |
|--|-----------|----------|
| 753; comp. reserve, \$186,933; capital, \$900,000; net surplus, \$233,693. Experience: |           |          |
|  | Premiums  | Losses   |
| Accident .....   | \$ 4,386  | \$ 3,107 |
| Auto liability .....   | 1,364,721 | 677,840  |
| Other liability .....  | 260,952   | 66,645   |
| Workmen's comp. ....   | 392,897   | 198,736  |
| Fidelity .....   | 45,737    | 1,281    |
| Surety .....   | 184,364   | 140,270  |
| Plate glass .....  | 129,445   | 75,804   |
| Burglary and theft. ....   | 137,241   | 87,939   |
| Auto prop. damage. ....  | 232,536   | 98,245   |
| Auto collision .....   | 71,983    | 46,765   |
| Other P. D. and coll. ....   | 15,666    | 3,638    |

Total .....\$2,839,928 \$1,400,270

**Anchor Cas.**—Assets, \$878,226; unearned prem., \$194,909; loss reserve, \$1,205; liability reserve, \$61,683; comp. reserve, \$206,048; capital, \$250,000; net surplus, \$117,471. Experience:

|                            |            |           |
|----------------------------|------------|-----------|
|                            | Premiums   | Losses    |
| Auto liability .....       | \$ 113,805 | \$ 39,817 |
| Other liability .....      | 12,584     | 2,772     |
| Workmen's comp. ....       | 319,163    | 111,447   |
| Auto fire .....            | 8,512      | 1,388     |
| Auto theft .....           | 10,923     | 857       |
| Auto Tornado .....         | 1,142      | 115       |
| Plate glass .....          | 45         | 43        |
| Auto prop. damage. ....    | 44,119     | 10,776    |
| Auto collision .....       | 3,817      | 1,239     |
| Other P. D. and coll. .... | 693        | .....     |

Total .....\$ 514,805 \$ 168,454

**American Prof. Risk Und., Ill.**—Assets, \$645,294; unearned prem., \$85,416; loss reserve, \$18,382; liability reserve, \$32,915; comp. reserve, \$6,370; net surplus, \$462,229. Experience:

|                          |           |          |
|--------------------------|-----------|----------|
|                          | Premiums  | Losses   |
| Accident .....           | \$ 15,649 | \$ 2,629 |
| Tor. & Windstorm. ....   | 1,842     | 7        |
| Hail .....               | 23,394    | 9,105    |
| Auto liability .....     | 76,364    | 7,997    |
| Other liability .....    | 14,828    | 746      |
| Workmen's comp. ....     | 16,107    | 1,611    |
| General Fire .....       | 46,944    | 17,322   |
| Plate glass .....        | 7,336     | 2,077    |
| Burglary and theft. .... | 16,364    | 2,242    |
| Sprinkler .....          | 4         | .....    |
| Auto prop. damage. ....  | 32,032    | 4,804    |
| Auto collision .....     | 19,648    | 7,767    |
| Auto theft .....         | 10,381    | 3,067    |
| Auto fire .....          | 4,727     | 2,784    |

Total .....\$ 285,620 \$ 62,158

**First Reinsurance**—Assets, \$3,421,294; unearned prem., \$697,329; loss reserve, \$1,252,804; liability reserve, \$729,577; comp. reserve, \$35,601; non-can. A. & H. reserve, \$67,637; capital, \$800,000; net surplus, \$579,856. Experience:

|                            |            |            |
|----------------------------|------------|------------|
|                            | Premiums   | Losses     |
| Accident .....             | \$ 601,049 | \$ 577,131 |
| Health .....               | 103,561    | 76,112     |
| Non-can. H. & A. ....      | 42,572     | 181,430    |
| Auto liability .....       | 805,584    | 192,007    |
| Other liability .....      | 369,054    | 91,088     |
| Workmen's comp. ....       | 116,469    | 31,846     |
| Fidelity .....             | 41,806     | 5,058      |
| Surety .....               | 84,461     | 51,258     |
| Plate glass .....          | 22,495     | 5,711      |
| Burglary and theft. ....   | 96,653     | 27,904     |
| Steam boiler .....         | 151        | 63         |
| Engine and mach. ....      | 3,124      | 17         |
| Auto prop. damage. ....    | 121,817    | 32,291     |
| Auto collision .....       | 14,663     | 6,072      |
| Other P. D. and coll. .... | 5,665      | 2,396      |
| Sprinkler .....            | 245        | .....      |

Total .....\$2,429,376 \$1,280,393

**American Employers**—Assets, \$6,879,712; unearned prem., \$1,988,664; loss reserve, \$463,154; liability reserve, \$1,247,026; comp. reserve, \$817,999; capital, \$1,000,000; net surplus, \$672,967. Experience:

|                            |           |           |
|----------------------------|-----------|-----------|
|                            | Premiums  | Losses    |
| Accident .....             | \$ 67,305 | \$ 47,197 |
| Health .....               | 11,863    | 4,562     |
| Auto liability .....       | 1,942,379 | 1,314,923 |
| Other liability .....      | 523,395   | 136,733   |
| Workmen's comp. ....       | 1,188,499 | 932,524   |
| Fidelity .....             | 164,896   | 53,286    |
| Surety .....               | 268,329   | 313,890   |
| Plate glass .....          | 76,188    | 36,717    |
| Burglary and theft. ....   | 158,747   | 78,401    |
| Steam boiler .....         | 50,907    | 4,343     |
| Engine and mach. ....      | 35,644    | 14,730    |
| Auto prop. damage. ....    | 671,193   | 267,729   |
| Auto collision .....       | 59,755    | 33,976    |
| Other P. D. and coll. .... | 28,986    | 8,159     |
| Collective .....           | 414       | 4         |

Total .....\$5,248,500 \$3,246,274

**Illinois Mut. Cas.**—Assets, \$95,171; unearned prem., \$21,903; loss reserve, \$8,981; net surplus, \$62,683. Experience:

|                         |            |           |
|-------------------------|------------|-----------|
|                         | Premiums   | Losses    |
| Accident & health. .... | \$ 177,535 | \$ 75,668 |

**Cnr & General**—Assets, \$2,650,278; unearned prem., \$636,138; loss reserve, \$100,971; liability reserve, \$445,581; comp.

reserve, \$97,546; capital, \$500,000; net surplus, \$719,864. Experience:

|                            |            |            |
|----------------------------|------------|------------|
|                            | Premiums   | Losses     |
| Auto liability .....       | \$ 779,555 | \$ 340,543 |
| Other liability .....      | 55,541     | 12,183     |
| Workmen's comp. ....       | 232,106    | 101,528    |
| Plate glass .....          | 35,643     | 16,894     |
| Burglary and theft. ....   | 45,983     | 11,999     |
| Auto prop. damage. ....    | 294,319    | 124,112    |
| Auto collision .....       | 29,467     | 18,116     |
| Other P. D. and coll. .... | 2,182      | 518        |
| Live stock .....           | 97,033     | 96,150     |

Total .....\$1,571,829 \$ 722,043

**American Mut. Liab.**—Assets, \$21,083,885; unearned prem., \$3,453,889; loss reserve, \$185,193; liability reserve, \$2,393,087; comp. reserve, \$8,645,379; capital, \$200,000; net surplus, \$4,005,648. Experience:

|                            |             |            |
|----------------------------|-------------|------------|
|                            | Premiums    | Losses     |
| Auto liability .....       | \$1,953,688 | \$ 806,719 |
| Other liability .....      | 726,879     | 291,495    |
| Workmen's comp. ....       | 7,612,793   | 5,583,318  |
| Fidelity .....             | 32,392      | 7,587      |
| Plate glass .....          | 584         | 41         |
| Burglary and theft. ....   | 5,235       | 470        |
| Auto prop. damage. ....    | 477,129     | 156,523    |
| Auto collision .....       | 78,976      | 24,171     |
| Other P. D. and coll. .... | 34,719      | 9,873      |

Total .....\$10,922,395 \$6,880,200

**Employers' Liability**—Assets, \$31,927,408; unearned prem., \$9,547,219; loss reserve, \$1,289,159; liability reserve, \$7,009,617; comp. reserve, \$7,560,434; capital,

\$715,000; net surplus, \$6,073,450. Experience:

|                            |            |            |
|----------------------------|------------|------------|
|                            | Premiums   | Losses     |
| Accident .....             | \$ 469,339 | \$ 337,083 |
| Health .....               | 179,496    | 128,527    |
| Non-can. H. & A. ....      | 845        | 1,255      |
| Auto liability .....       | 7,473,154  | 4,007,859  |
| Other liability .....      | 3,887,776  | 1,540,420  |
| Workmen's comp. ....       | 8,543,591  | 6,401,230  |
| Fidelity .....             | 428,306    | 171,664    |
| Surety .....               | 247,674    | 242,228    |
| Plate glass .....          | 229,007    | 86,272     |
| Burglary and theft. ....   | 785,379    | 265,726    |
| Steam boiler .....         | 226,537    | 33,686     |
| Engine and mach. ....      | 212,679    | 39,141     |
| Auto prop. damage. ....    | 2,428,009  | 957,561    |
| Auto collision .....       | 322,700    | 195,299    |
| Other P. D. and coll. .... | 202,001    | 84,083     |
| Collective .....           | 13,293     | 9,501      |

Total .....\$25,649,786 \$14,501,535

**Motor Casualty, Pa.**—Assets, \$264,834; unearned prem., \$38,759; loss reserve, \$14,200; liability reserve, \$35,672; capital, \$150,700; net surplus, \$14,770. Experience:

|                         |           |          |
|-------------------------|-----------|----------|
|                         | Premiums  | Losses   |
| Auto liability .....    | \$ 55,216 | \$ 9,815 |
| Auto prop. damage. .... | 21,593    | 8,313    |
| Auto collision .....    | 2,467     | 2,885    |
| Auto towing .....       | 314       | 164      |

Total .....\$ 79,592 \$ 21,178

**Phoenix Indemnity**—Assets, \$4,906,230; unearned prem., \$1,464,943; loss reserve, \$150,361; liability reserve, \$832,864; comp. reserve, \$471,650; capital,

\$500,000; net surplus, \$409,173. Experience:

|                            |            |           |
|----------------------------|------------|-----------|
|                            | Premiums   | Losses    |
| Accident .....             | \$ 139,913 | \$ 63,499 |
| Health .....               | 24,101     | 11,078    |
| Auto liability .....       | 1,255,164  | 627,745   |
| Other liability .....      | 353,905    | 93,074    |
| Workmen's comp. ....       | 637,846    | 449,156   |
| Plate glass .....          | 97,338     | 41,495    |
| Burglary & theft. ....     | 173,134    | 76,736    |
| Auto prop. damage. ....    | 432,284    | 177,350   |
| Auto collision .....       | 29,359     | 21,975    |
| Other P. D. and coll. .... | 11,607     | 4,789     |

Total .....\$3,154,651 \$1,566,897

**Guardian Cas., N. Y.**—Assets, \$2,867,916; unearned prem., \$518,324; loss reserve, \$273,041; liability reserve, \$500,019; comp. reserve, \$258,232; capital, \$650,000; net surplus, \$518,358; experience, \$5,668,084.

|                            |           |           |
|----------------------------|-----------|-----------|
|                            | Premiums  | Losses    |
| Accident .....             | \$ 91,917 | \$ 59,911 |
| Auto liability .....       | 1,113,936 | 534,961   |
| Other liability .....      | 38,540    | 21,143    |
| Workmen's comp. ....       | 50,677    | 263,169   |
| Fidelity .....             | 55,963    | 37,852    |
| Surety .....               | 126,623   | 211,169   |
| Plate glass .....          | 3,287     | 3,129     |
| Burglary and theft. ....   | 1,614     | 2,812     |
| Steam boiler .....         | 309       | .....     |
| Auto prop. damage. ....    | 324,134   | 146,358   |
| Auto collision .....       | 16,101    | 13,490    |
| Other P. D. and coll. .... | 2,193     | 1,656     |

Total .....\$1,815,432 \$1,345,650

**Aetna Casualty**—Assets, \$32,596,011; unearned prem., \$10,184,859; loss reserve,

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\$5,349,814; liability reserve, \$1,978,111; comp. reserve, \$43,562; non-ann. A. & H. reserve, \$53,879; capital, \$3,000,000; net surplus, \$7,515,521. Experience:

|                          | Premiums   | Losses     |
|--------------------------|------------|------------|
| Accident .....           | \$ 150,143 | \$ 110,064 |
| Health .....             | 17,699     | 8,324      |
| Non-ann. A. & H. ....    | 9,562      | 22,029     |
| Auto liability .....     | 4,143,771  | 1,970,387  |
| Other liability .....    | 89,594     | 13,426     |
| Workmen's comp. ....     | 14,908     | 15,747     |
| Fidelity .....           | 1,752,824  | 940,340    |
| Surety .....             | 2,335,365  | 1,692,276  |
| Plate glass .....        | 538,561    | 196,251    |
| Burglary and theft, ..   | 1,730,769  | 589,458    |
| Steam boiler .....       | —1,832     | 192        |
| Engine and mach. ....    | 181,269    | 21,211     |
| Auto prop. damage, ..    | 4,017,423  | 1,549,520  |
| Auto collision .....     | 1,093,398  | 613,174    |
| Other P. D. and coll. .. | 113,704    | 24,986     |
| Sprinkler .....          | 587,022    | 186,978    |

Total .....

\$16,774,180 \$7,954,363

Inter-Ins. Exch., Chicago Motor Club—

Assets, \$4,566,320; unearned prem., \$1,332,707; loss reserve, \$904,960; net surplus, \$2,184,754. Experience:

|                       | Premiums    | Losses     |
|-----------------------|-------------|------------|
| Auto liability .....  | \$1,781,616 | \$ 653,700 |
| Plate glass .....     | 10,929      | 1,903      |
| Auto prop. damage, .. | 592,204     | 206,025    |
| Auto collision .....  | 741,106     | 442,043    |

Total .....

\$3,125,855 \$1,303,671

Lloyds Cas., N. Y.—Assets, \$4,493,930; unearned prem., \$645,036; loss reserve, \$607,384; liability reserve, \$515,608; comp.

reserve, \$202,555; capital, \$1,000,000; net surplus, \$1,101,051. Experience:

|                          | Premiums  | Losses   |
|--------------------------|-----------|----------|
| Accident .....           | \$ 19,109 | \$ 8,215 |
| Health .....             | 2,296     | 4,540    |
| Auto liability .....     | 831,909   | 840,584  |
| Other liability .....    | 133,249   | 111,095  |
| Workmen's comp. ....     | 469,308   | 458,358  |
| Fidelity .....           | 48,153    | 46,629   |
| Surety .....             | 154,189   | 273,067  |
| Plate glass .....        | 212,651   | 187,132  |
| Burglary and theft, ..   | 24,888    | 50,627   |
| Steam boiler .....       | —16,576   | 1,763    |
| Engine and mach. ....    | 4,791     | —        |
| Auto prop. damage, ..    | 258,065   | 189,924  |
| Auto collision .....     | 16,465    | 31,853   |
| Other P. D. and coll. .. | 9,153     | 13,714   |
| Taxicabs .....           | 380,645   | 155,036  |

Total .....

\$2,548,300 \$2,372,543

Farmers Auto Inter-Ins. Ex.—Assets,

\$931,594; unearned prem., \$417,734; loss reserve, \$56,647; liability reserve, \$177,448; net surplus, \$159,130. Experience:

|                          | Premiums | Losses   |
|--------------------------|----------|----------|
| Personal auto auct. .... | \$ 4,373 | \$ 1,173 |
| Auto liability .....     | 494,448  | 261,952  |
| Auto theft .....         | 36,559   | 6,145    |
| Auto prop. damage, ..    | 346,551  | 68,367   |
| Auto collision .....     | 431,494  | 203,775  |
| Auto fire .....          | 35,925   | 6,621    |

Total .....

\$1,349,550 \$ 551,033

London Guar. & Accel.—Assets, \$15,211,

752; unearned prem., \$3,586,705; loss reserve, \$1,097,595; liability reserve, \$2,901,117; comp. reserve, \$3,925,239; capital,

\$800,000; net surplus, \$843,342. Experience:

|                          | Premiums   | Losses     |
|--------------------------|------------|------------|
| Accident .....           | \$ 247,350 | \$ 140,587 |
| Health .....             | 38,959     | 23,784     |
| Work collective .....    | 316        | 283        |
| Auto liability .....     | 2,308,203  | 1,195,559  |
| Other liability .....    | 914,413    | 254,055    |
| Workmen's comp. ....     | 2,404,789  | 1,838,576  |
| Fidelity .....           | 1,386      | 3,900      |
| Surety .....             | 2,488      | —24,662    |
| Plate glass .....        | 106,210    | 39,497     |
| Burg. and theft .....    | 330,451    | 136,464    |
| Steam boiler .....       | 131,254    | 13,096     |
| Engine and mach. ....    | 101,105    | 3,271      |
| Auto prop. damage, ..    | 817,324    | 318,359    |
| Auto collision .....     | 89,119     | 58,349     |
| Other P. D. and coll. .. | 39,485     | 4,438      |
| Credit .....             | 790,635    | 574,033    |

Total .....

\$8,323,387 \$4,579,583

Illinois Mfrs. Mut. Cas.—Assets, \$1,

265,498; unearned prem., \$241,601; loss reserve, \$3,315; liability reserve, \$62,875; comp. reserve, \$450,149; net surplus, \$425,387. Experience:

|                         | Premiums  | Losses    |
|-------------------------|-----------|-----------|
| Auto liability .....    | \$ 40,734 | \$ 15,108 |
| Other liability .....   | 41,922    | 13,751    |
| Workmen's comp. ....    | 576,307   | 587,770   |
| Auto prop. damage, ..   | 15,291    | 4,208     |
| Auto collision .....    | 6,687     | 1,808     |
| Auto fire and theft, .. | 12,061    | 6,350     |

Total .....

\$ 693,003 \$ 628,995

Hamilton Mut. Auto. Cas.—Assets,

749,675; unearned prem., \$399; loss re-

serve, \$460,750; liability reserve, \$61,030; net surplus, \$165,201. Experience:

|                          | Premiums   | Losses    |
|--------------------------|------------|-----------|
| Auto liability .....     | \$ 45,378* | \$ 50,141 |
| Auto prop. damage, ..    | 2,948      | 1,025     |
| Statutory auto. liab. .. | 497,791    | 239,443   |

Total .....

\$ 547,117 \$ 290,609

\*Discontinued March 15, 1931.

Inter-Insurance Exch. Auto Club of

Southern California—Assets, \$6,229,970; unearned prem., \$1,763,319; loss reserve, \$281,691; net surplus, \$4,001,044. Experience:

|                       | Premiums   | Losses    |
|-----------------------|------------|-----------|
| Auto fire .....       | \$ 167,266 | \$ 45,624 |
| Auto theft .....      | 313,671    | 50,367    |
| Auto equipment .....  | 100,093    | 5,574     |
| Auto prop. damage, .. | 589,244    | 265,981   |
| Auto collision .....  | 2,303,715  | 1,303,396 |

Total .....

\$3,473,989 \$1,670,942

Indiana Liberty—Assets, \$427,902; unearned prem., \$195,698; loss reserve, \$10,452; liability reserve, \$46,899; comp. reserve, \$120,097; net surplus, \$37,518. Experience:

|                        | Premiums  | Losses    |
|------------------------|-----------|-----------|
| Auto liability .....   | \$ 79,283 | \$ 60,812 |
| Other liability .....  | 7,540     | —         |
| Workmen's comp. ....   | 245,770   | 149,644   |
| Plate glass—auto ..... | 127       | —         |
| Burg. & theft—auto, .. | 9,402     | 3,806     |
| Auto prop. damage, ..  | 43,700    | 24,359    |
| Auto collision .....   | 30,762    | 17,818    |
| Auto fire .....        | 10,525    | 3,058     |
| Auto misc. ....        | 1,824     | 1,254     |

Total .....

\$ 428,933 \$ 260,751

## Home's General Manager in Chicago Passes Away

(CONTINUED FROM PAGE 5)

office, but at the last minute was called for jury service. He was expected, however, to attend the burial rites at Goshen. L. C. Gray, former Missouri field man for the Springfield, who is now southwest manager at Kansas City for a number of mutuals, and was an old friend of Mr. Lesch attended. W. N. Sage, vice-president Iowa State, Keokuk, was there.

Mr. Lesch joined the farm department of the Home at Chicago in 1887 at the age of 17. He was born in Millersburg, Ind., and attended Valparaiso University for a time.

In 1900, Mr. Lesch was assigned to Missouri as special agent in the farm department. Subsequently he was given supervision over Kansas and he had much to do with planting the Home's farm department in Texas.

JOHN F. H. CORNELL

In 1917, Mr. Lesch went to Chicago and with F. H. Cornell assumed management of the farm department as Lesch & Cornell.

In 1930, he was made general manager of all the operations of the Home in Chicago.

Mr. Lesch was a man of great loyalty. His one great interest was the Home Insurance Company and he backed its policies in every direction with enthusiasm. Mr. Lesch was genial, democratic, completely without affectation and generous. He made friends because he liked people. His office in the Insurance Exchange building opened into the hall and the door was always open. A friend or acquaintance could never go by without being hailed by Mr. Lesch and being hailed he always went in for a chat. For the time he spent during the day with friends in his office, Mr. Lesch compensated by working at night.

Until last year, Mr. Lesch resided at the Brevoort hotel in the loop ever since he had been in Chicago. Last year he moved to the Morrison hotel. It was his custom many evenings in the Brevoort to sit in the lobby and if he spied a friend to invite him to his room for the evening.

He was a 33rd degree Mason and a Shriner. He was one of very few men to have membership in more than one pond of the Blue Goose. Although belonging to the Illinois pond, he also retained his membership in the Heart of America pond at Kansas City.

## Asset No. 7

# SOUND MANAGEMENT

Regarding this important asset, may we offer the opinions of keen and qualified observers of the insurance business for many years and quote from *Best's Insurance Reports, 1931*—"The Company is managed by capable and experienced men"; also from the Insurance Almanac—published by *The Weekly Underwriter of New York*—"The Company has an experienced and capable staff of executives, which, with the strong financial position it enjoys, accounts for its steady progress and increasing popularity."

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## CHANGES IN CASUALTY FIELD

### H. P. Linn Resigns in Chicago

**New Connection of Southern Surety, Home Indemnity Manager to Be Announced in April**

H. P. Linn has announced his resignation as Chicago manager for the Southern Surety and Home Indemnity, a position he has held for about 18 months. The company with which he has made a new connection will make the announcement about April 1.

Mr. Linn went to Chicago from Atlanta, where for four years he had been southeastern manager for the Southern Surety and Home Indemnity. Before that he was Florida manager for the Southern Surety and National Surety at Jacksonville, being stationed there two years.

Previously he had been assistant manager at Indianapolis for the National Surety and before that special agent in Indiana and Kentucky for the National Surety. He started in the business after the war. He is primarily a surety man, although he has a good general knowledge of casualty.

### C. W. O'Donnell Resigns

DENVER, March 9.—Charles W. O'Donnell, claim manager here for the Globe Indemnity for the past six years, has resigned and will open a law office, specializing in casualty insurance claim work. He already represents a number of companies. He will be succeeded with the Globe by Charles Groves, attorney.

### Get N. Y. Casualty on Coast

Carl N. Corwin & Co. has been appointed general agents in California for the New York Casualty. Ashley R. Faull, formerly with the Ocean Accident, has been appointed manager of the Corwin casualty department which is being established.

### C. J. Bosworth Resigns

SAN FRANCISCO, March 9.—C. J. Bosworth has resigned as resident manager of the Fidelity & Casualty after 41 years with that company and 28 years as resident manager here, to devote his time to personal production of fire and casualty lines. Mr. Bosworth

### Compensation Losses Cause Tightening of Underwriting

(CONTINUED FROM PAGE 25)

pay-roll. From the inspection safety recommendations are made, and often it is possible to secure an advantageous rate when these are followed by the owner.

The net result is that the company receives the total premium to which it is entitled for the classification of risk, its present condition of physical hazard and accident frequency. The assured feels that his risk has been handled scientifically and the rate is to a large extent within his control, depending on the safety work which he does.

#### Sometimes Affects Competition

It is true premium increases quite often are indicated, and in such cases they may handicap the agents or brokers on the case where competition is concerned. However, the attitude of the branch office is that the risk should be written properly, and rather than depart from this sound practice, it will not be written at all. It is presented that cooperation undoubtedly in time will bring the premium down and until that time the insured is not entitled to a reduction and should not ask it.

began his insurance career in 1888 as a solicitor in the accident department of the company, advancing in various capacities until his appointment as resident manager in 1904.

C. W. Jones, with the company since 1911 and serving as special agent in charge of production in the San Francisco metropolitan district for the past 10 years, has also resigned to devote himself to personal business.

### Sutton Goes to Ohio

William Sutton, special agent of the Consolidated Indemnity, has been transferred from Chicago to Columbus, O. He will travel in Ohio for the Consolidated.

Denn Trott, formerly with the Ohio Insurance department, has joined the staff of the Western & Southern Indemnity.

The Wright Land & Investment Company agency, Lewistown, Mont., has been sold to Fred E. Race & Co. Ed Wright, who organized the agency in 1910, has gone to Detroit to reside. He is the father of H. G. Wright, special agent for the Hartford Accident in Montana.

## Rogers Accident Bureau Chairman

(CONTINUED FROM PAGE 25)

their power, and one that if considered at all would come under the jurisdiction of the casualty acquisition cost conference.

D. St. C. Moorhead, United States Casualty, chairman of the underwriting committee, reviewed the generally unsatisfactory conditions in the accident and health field for several years, which impelled the companies to consider corrective measures, the outcome of which was the adoption of the program as submitted by the committee. Mr. Moorhead said that while the plan formulated "did not attempt to cure all of the evils from which the business was suffering, it represented the maximum advance that could be attained at this time," and furnished a basis from which further improvements could be effected later on.

#### Statistical Committee Report

The statistical committee reported it had been able to tabulate the experience under a premium volume of over \$32,000,000, on which it could safely suggest rates to be applied to advisory policies or any other form of coverage that might be favorably considered. It

likewise reported that machinery had been established for handling additional experience as furnished by the member companies, thereby keeping the data up to date at all times.

Under direction of the manual committee a complete revision of the standard manual was effected. Certain errors appearing in the former issue were corrected, and a complete new commercial section was issued.

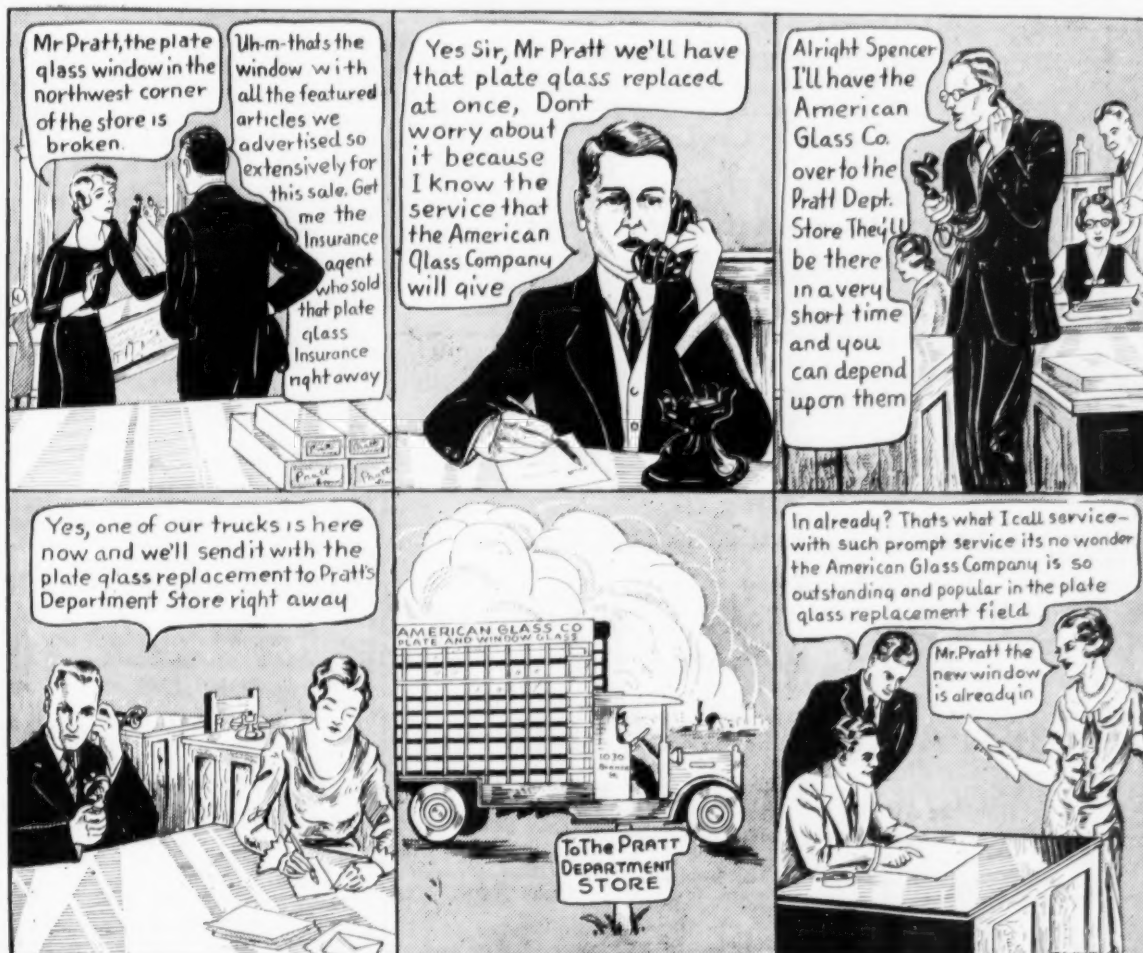
The report of Secretary Jones was a resume of administrative activities.

#### Meeting Well Attended

In the absence because of illness of George Goodwin, Connecticut General Life, chairman of the governing committee, F. B. Wilde of that company presided. The meeting was unusually well attended, with 45 companies represented by 65 delegates, including a number of chief executives who are particularly interested in the progress of the new program. Harold R. Gordon, Chicago, executive secretary Health & Accident Underwriters Conference, was also present by invitation.

### Great American at Chicago

A. F. Shaw & Co. of Chicago has been appointed general agents of the Great American Indemnity.



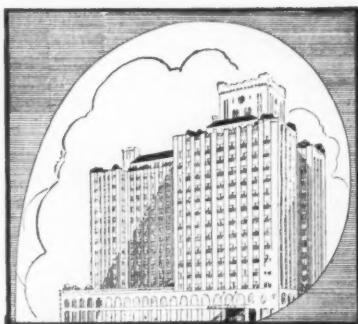
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## I. U. B. and Single State Forms of Cover Analyzed

(CONTINUED FROM PAGE 23)

location at which the assured has property at risk at the time of making application for this insurance and which was not listed in the application for this insurance and which location was not listed in the application for rate. Permission is granted for contributing insurance written under the same plan and the form provides that specific insurance voids the policy unless permission is granted to carry it and unless the specific insurance is necessary to protect values in excess of the limit of liability. This is excess insurance and does not attach to or become insurance against any hazard upon property described until the liability of such specific insurance has been exhausted, and shall cover only such loss or damage as may exceed the amount due from such specific insurance after application of any contribution, coinsurance, average or distribution or other clauses contained in the policy of such specific insurance affecting the amount collectible thereunder, not exceeding the limits as set forth in the policy.

### Forms 1 and 2 Do Not Have Coinsurance Clause

Forms No. 1 and 2 do not contain coinsurance or contribution clause, but they do contain full reporting value clause which requires the insured to report his actual values and in case of loss, company's liability shall not exceed that proportion of such loss which the last reported value bore to the actual value at the time of such report.

The form provides for audit by an independent firm of auditors of the accounts and all accounts having a premium of \$500 or more will be audited. This means all contracts coming under the jurisdiction of the I. U. B. will be audited because the rules now provide for a minimum deposit premium of \$500 and for a minimum earned premium of \$300.

Form No. 5 is a flat rate floater form. No statements are made. It contains a contribution clause. There are several dangerous features in this form, particularly if insured's values fluctuate. He is in no better position under No. 5 than he would be under specific insurance except that under No. 5 he needs only to watch his gross values rather than the values at specific locations.

### Never Sell No. 5 When 1 or 2 Can Be Written

No. 5 should never be used where it is possible to sell No. 1 or 2.

The old general cover contract has been superseded by the single state reporting form, A or B, except in Wisconsin. A and B require a provisional premium which is arrived at by charging insured at tariff 90 percent coinsurance rates on 75 percent of the limits of liability granted in the policy. New locations or changes in limits are permitted and additional premium charged for increased limits or adding new locations for the unexpired term.

These forms differ from the I. U. B. in that insured may carry specific insurance without special permission of the company. This also is excess insurance. It does not contribute until all specific insurance is exhausted, either by payment of loss or by application of the coinsurance or contribution clause. It also contains the full reporting value clause, loss reinstatement clause and audit clause. Audit under these forms is not mandatory, but optional with the company carrying the line. The minimum premium per policy is \$100. That is somewhat different than the I. U. B. earned premium per risk.

The I. U. B. is not recognized in Texas, Arkansas and Canada. I. U. B. forms but not rates are approved in Mississippi and Louisiana. In Mississippi an average rate on locations may be obtained by filing values with the Mississippi bureau. Louisiana approved

the forms but has taken no action as yet on rates. In New York City, the Fire Insurance Exchange recently recognized the I. U. B. and for a single location in New York, a rate will be granted without special application; that is, the I. U. B. may get the specific rate from the Fire Insurance Exchange and promulgate an average rate. Where two or more locations are involved, specific special affidavit is required to be filed with the Fire Insurance Rating Exchange in order to obtain an average estimate.

### Single State Rates More Rigid Than the I. U. B.

On I. U. B. business, where five or more locations are involved, rates are obtainable from the I. U. B. by giving due consideration to all the facts surrounding the individual case; past loss experience might have some bearing on the rate. In intra-state business, the rate is arrived at in approximately the same manner as any average or blanket rate is arrived at within the limits of a single state. The I. U. B. rule provides for five or more locations without reference to being in more than a single city or town. A and B forms, (Indiana excepted) require two or more locations and they must be in more than a single city or town.

Frequently we find after a broker of record letter has been filed that the broker of record is rescinded by some other agent. Under these conditions the I. U. B. takes no action other than notifying the previous broker of record of the recalling of his broker of record letter and the matter is then allowed to remain in abeyance for ten days before information is given to the new broker. It is very important in writing this class of business that the necessary underlying policy be prepared and issued promptly and reported through the various audit bureaus.

In most of the states it is permissible to write these, using the I. U. B. estimate as rate, but in some states specific estimates are necessary.

### Alabama Accident Decrease

MONTGOMERY, ALA., March 9.—The Alabama workmen's compensation department reports 3,700 compensable accidents in 1931, a decrease of 50.5 percent from 1929 and 27.5 percent from 1930.

One of the oldest established Insurance Agencies in the state of Michigan desires a General Agency connection with a Non-affiliated Casualty Company. Want a state wide contract. Prefer a company of over \$2,000,000 Capital and Surplus. We control at present about \$100,000 in Casualty and Surety Premiums. Address **W-10**, The National Underwriter.

### AUDITOR AND STATISTICIAN AVAILABLE

Auditor and Statistician of Home Office Insurance Company, with outstanding record as Collection Manager, desires connection. Fully experienced in Home Office accounting, insurance cost accounting, statistical work and Agent's accounting systems. Best of reference.

Address **W-11**, The National Underwriter.

### WANTED

Health and Accident Special Agent who can produce results. Prefer one familiar with Michigan. Headquarters will be in Detroit. State present and previous connections, age, and salary requirements. Address **W-12**, The National Underwriter Company.

### WANTED

Stock casualty company for Missouri, by an established agency, exclusive contract, independent P. L. and P. D. rates, underwrite only, special preferred individual owned pleasure automobiles. Address **W-15**, The National Underwriter.

## WORKMEN'S COMPENSATION

### Michigan Fund Rates Go Up

**No Longer to Aggressively Compete With Agents for Business—Solicitors Are Abolished**

LANSING, MICH., March 9.—While refusing to reveal the exact status of the state accident fund, as shown in a recent audit by insurance department examiners, Governor Brucker has admitted that the reserves of the fund are impaired and that a general upward revision of rates and economies in the fund organization are imperative to establish the fund on a sound basis again.

The governor emphatically denied, however, that there is any truth in reports circulated in some quarters to the effect that the fund is hopelessly insolvent. He declared that the examination report showed the fund is definitely solvent.

#### Reduce Fund's Expenses

Several of the solicitors for the fund whose aggressive tactics were the basis for complaints filed with the governor by agents for private workmen's compensation carriers have been dismissed, the governor admitted, and dispensing with their services, along with those of Roy M. Watkins, manager of the fund, who resigned last week, will greatly reduce the overhead expense of the fund and assist in placing it in a stronger position. Karl F. Berger, former assistant manager, is now in full charge of the fund's operations and it was indicated that the governor will not appoint a successor to Watkins at this time.

The fund will no longer be an aggressive competitor for compensation business, stock company agents are convinced, and there will undoubtedly be no more rate-slashing such as was the general rule, it is claimed, during the past few years. It is also anticipated that fund solicitors will no longer display the state seal on their business cards and that the seal will also disappear from the fund stationery. The attorney general's department has already advised the secretary of state to

recall institutional license plates issued for the fund solicitors' cars, as it is admitted that the fund is not legally a state institution, although disbursements are made and premiums cleared through the auditor general. With these unfairly competitive adjuncts removed, the agents for compensation carriers believe they have nothing further to fear.

### N. C. Employers Are Banding to Investigate the Rates

The Employers Compensation Rate Council is being organized in North Carolina among employers subject to the compensation act. Its purpose is declared to be investigation of compensation rates and rules. It is being promoted in view of the fact that the North Carolina department and the industrial commission of that state lack funds and authority to investigate and verify compensation rates.

Some of the employers in that state object to rate increases in certain classifications and to the \$10 minimum charge for small risks.

Under the plan as projected, there would be a bureau of the council to investigate rates and make its findings available to the industrial commission. Possible reduction in the number of classifications which now total about 900 will probably be considered.

#### Hearing on Virginia Change

RICHMOND, March 9.—A hearing on the petition of the workmen's compensation inspection rating bureau of Virginia seeking several proposed changes in qualification and inspection rules in respect to all new and renewal business, was held before the state corporation commission last week, the commission reserving its decision. Under the proposed change in rules, a risk in order to qualify for schedule rating should produce an annual premium of not less than \$150 and a payroll of not less than \$15,000. There was no opposition to the petition and it was expected that it would be granted this week.

## ACCIDENT AND HEALTH FIELD

### Has New Non-Can Contract

**United Benefit Life Issues Policy With Broad Benefits Including Principal Sum**

The United Benefit Life of Omaha has brought out a new non-cancellable accident and health contract which differs considerably from the new contracts recently put on the market by the Continental Assurance of Chicago and the Pacific Mutual. This policy carries no lifetime indemnity, but is on the aggregate sum basis. It is issued on risks ages 21 to 55 and is renewable to age 70. It pays from the first day on both sickness and accident.

All policies contain \$5,000 principal sum at no additional cost. Double indemnity also is included, and the standard aviation clause. The hospital clause pays 50 percent with three months limit.

This policy pays for two years limit for total disability for sickness (house confining or non-house confining) and for accident, and pays three months limit for partial disability on account of accident. It pays half benefit for partial disability and is non-prorating throughout.

It is issued only in four amounts of monthly income, \$75, \$100, \$150 and

\$200. The contract paying \$75 per month is sold at \$32, the \$100 contract at \$44, the \$150 policy at \$70 and the \$200 policy at \$100 on preferred male risks.

The Mutual Benefit Health & Accident, running mate of the United Benefit Life, still writes health insurance on women with no increase in rates.

### Burge Heads San Francisco Club

SAN FRANCISCO, March 9.—W. B. Burge, Columbia Casualty, was elected president of the Accident & Health Managers Club of San Francisco at its annual meeting. George W. Kemper, Great American Indemnity, secretary-treasurer the past year, was elected vice-president. Harry Stevens, Commercial Casualty, is the new secretary-treasurer. Thirteen new members were admitted the past year.

#### Bain Charges Slander

LOUISVILLE, March 9.—J. W. Bain, former president of the Equitable Life & Casualty of Louisville, who is to be tried shortly on two embezzlement charges, has filed suit against Judge J. P. Haswell, attorney for the company, charging slander and asking \$50,000 damage. Bain recently returned to Louisville from Chicago to face the charges.

|              |           |              |              |
|--------------|-----------|--------------|--------------|
| AUTOMOBILE   | PUBLIC    | BURGLARY     | ACCIDENT     |
| LIABILITY    | LIABILITY | THEFT        | HEALTH       |
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## FIDELITY AND SURETY NEWS

### Lunt Talks on Blanket Bonds

Vice-president Great American Indemnity Addresses Surety Underwriters Association of New Jersey

NEWARK, March 9.—In spite of the fact that the bankers and brokers blanket bond is one of the most complicated issued by surety companies, the service it is rendering to the public is one of the most important in that field, E. C. Lunt, vice-president Great American Indemnity, told the Surety Underwriters Association of New Jersey.

He explained the various forms of blanket bonds now in use and their various coverages, and also pointed out the fact that the riders attached to some of the policies are complicated and hard to understand. From 1915 to 1921, Mr. Lunt said, the companies made money but from that time until 1924 high losses were sustained on brokers bonds. From that time until about 1928 the tide changed in favor of the companies and they showed an underwriting profit, but since then losses have been extremely high.

He brought out that surety companies as a whole are writing premiums of about \$18,000,000 annually, and that it is not uncommon for an assured to pay a premium running from \$20,000 to \$40,000. He stated that he knew of one firm whose annual premiums for bonds totaled \$240,000. John F. Clark, Newark manager of the American Surety, president of the association, presided. The next meeting will be held April 5.

### Surety Association Installation

SAN FRANCISCO, March 9.—The golf tournament, installation of officers and banquet in honor of retiring officers of the Surety Association of Northern California will be held March 11. J. R. McKinney, Massachusetts Bonding, is in charge of arrangements.

Retiring officers are Sam L. Webster, Maryland Casualty, president, and A. D. Mennie, secretary. E. A. Davis, Swett & Crawford, is the incoming president; J. A. Swearingen, Aetna Casualty, vice-president, and F. S. Burland, Great American Indemnity, secretary-treasurer.

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### To Determine Status of Fund

Surety Companies Will Allow State to Make Move in Pennsylvania on Deposits

NEW YORK, March 9.—In order to determine the degree to which state funds in Pennsylvania on deposit with failed banks constitute preferred claims, surety companies are withholding payments under depository bonds on such institutions, awaiting the outcome of conferences now under way in the state banking department office. One of the New York companies settled for the amount of its bond covering state funds in a defunct financial institution, taking subrogation and claiming preferential treatment. The court held that the state could not transfer its status as a preferred creditor. In view of this decision the surety companies will now let the state make the initial move in collecting from the bank. They are confident that as a result of the procedure the now muddled situation will be clarified and the companies be able

to know definitely their rights in the matter.

### Think Virginia Bill Will Pass

RICHMOND, VA., March 9.—The state assembly has passed the bill exempting county treasurers from liability for loss of state money on deposit with failed banks. The general expectation is that the measure will be approved by the senate and secure the signature of the governor. In that event the surety companies will resume writing bonds on financial officers in the state freely, and will cease issuing the forms they have been granting under the special arrangement that each depository bank put up with another financial institution collateral covering the amount of the average public deposit. Like legislation is under review in New York state and companies believe it will be adopted there as well.

### Saunders Heads Michigan Body

The Michigan Surety Association' has elected as its president K. O. Saunders, Maryland Casualty and Secretary-Treasurer H. B. Carr, Fidelity & Casualty. T. E. Griffin, National Surety, and H. J. Jeffery, Metropolitan Casualty, were elected members of the executive committee.

## CASUALTY ASSOCIATION NEWS

### Common Violations Are Cited

Manager Malah Tells Chicago Field Club of Abuses—Some Deliberately Misclassify Risks

Peter Malah, manager National Bureau of Casualty & Surety Underwriters in Chicago, told the Casualty Field Club of that city about "common bureau violations" at its March meeting. A fault that is quite serious is abuse of equity rating. Some companies do not file equity rates until after the new policy has taken effect. Common rate cutting is less common than formerly. Misclassifying risks in order to get lower rates is not infrequent and much of it is plainly deliberate. Some of the misclassification originates with brokers, but agents or managers sometimes lend their aid. It is not only in writing risks that this misclassification is indulged in. There are cases where payroll auditors have been influenced to aid in securing the lower rate. In one case an auditor on a \$60,000 payroll reported \$15,000 in the factory and the balance in the office. A bureau inspection showed 50 factory employees and 5 office employees. Even inspections are some times used in getting an improper rate. In one case a company's own inspector reported nine punch presses, all guarded. The Bureau's own investigation showed 39 punch presses with only six guarded. Mr. Malah pointed out that such competition is not only unfair, but the companies often lose revenue that amounts to a large sum, and which they badly need in compensation.

### Safe Expert Is Speaker at Indianapolis Club Meeting

At the meeting of the Casualty & Surety Field Club of Indianapolis Monday John Seubert, general sales manager Herring-Hall-Marvin Safe Co., Hamilton, O., discussed all types of

safes, vaults and chests from the standpoint of fire and burglary underwriters, explaining in detail the construction under standards set up by the Underwriters Laboratories. Under stress of competition, Mr. Seubert declared, there is a tendency on the part of some manufacturers to produce safes and vaults that will barely make the minimum requirements of the laboratories. "We would be happy if all safes were classified properly by agents and brokers," he said.

C. G. Hollowell, secretary Aetna Life, was a guest at the meeting. Mr. Hollowell went to Michigan from Indiana and is heading toward Hartford after participating in a series of agency meetings at several points in the west.

### Actively Oppose New Jersey Automobile Rating Measure

NEWARK, March 9.—Walter A. Schaefer, president Casualty Underwriters Association of New Jersey, has sent out a letter to all members asking them to oppose a bill, which has been introduced in the New Jersey legislature, providing that no insurance company shall issue motor vehicle liability insurance policies until after the approval of the commissioner of banking and insurance and regulates further the premium rate and schedule paid to insurance companies. The measure also provides for the revocation of the approval of the insurance commissioner if he deems the rates inadequate or excessive and provides for the review of the refusal of the insurance commissioner to approve such rating. The association contends that it provides for "state made automobile rates" subject to the whims of politicians as in the case of Massachusetts and the approval of the bill, it is contended, will be but a step forward toward compulsory automobile insurance. The bill has already passed the second reading in the assembly and now goes to the senate.

### Name San Francisco Officers

George W. Kemper of the Great American Indemnity, has been appointed assistant secretary and treasurer of the Casualty Insurance Association of San Francisco by President B. G. Wills, who is vice-president of the Fireman's Fund and Occidental Indemnity. Mr. Wills has also announced the fol-

lowing members of the advisory council: L. H. Armstrong, Travelers; H. E. McClellan, Maryland Casualty; C. B. Cornell, Fidelity & Casualty; R. W. Forsyth, Indemnity of North America; C. A. Bonner, Aetna; Joy Lichtenstein, Hartford Accident; Wm. M. Reid, Zurich General.

Paul L. Haid, president of the America Fore group, a San Francisco visitor last week, was guest of honor at a luncheon tendered by members of the casualty fraternity.

### Separation Is Discussed

LOS ANGELES, March 9.—The southern California branch of the National Bureau of Casualty & Surety Underwriters held its annual meeting here March 7 in conjunction with the Casualty Association of Los Angeles. Robert E. Laley reviewed the bureau's accomplishments last year. Agency separation in casualty and surety lines as in fire insurance was discussed in open forum. This likely will not occur under present conditions, but an active movement toward separation is developing.

### Discuss Kentucky Legislation

LOUISVILLE, March 9.—The Louisville Casualty & Surety Association, meeting March 4, discussed legislation in Kentucky, reports indicating that the organization felt that matters were well in hand.

The Louisville Claim Men's Association held its monthly meeting Monday evening.

### Los Angeles Losses \$20,000,000

LOS ANGELES, March 9.—Former Chief of Police Davis of Los Angeles, now in charge of traffic detail of the department, spoke at a meeting here of the Casualty Adjusters' Association of Southern California. He told of the efforts to reduce automobile accidents. Approximately 17,000 persons were injured and 170,000 property damage accidents occurred for a loss of \$20,000,000 in Los Angeles in 1931.

### Ohio Association Meets

At the meeting in Columbus this week of the Ohio Association of Casualty & Surety Managers, talks were given by Superintendent C. T. Warner, F. P. Stanley, vice-president Glens Falls Indemnity, and John M. Thomas, resident vice-president Fidelity & Deposit.

### Saunders N. Y. Club Speaker

L. L. Saunders, executive secretary of the New York Insurance Federation, will speak upon "Legislation," at the dinner of the Casualty & Surety Club to be held in New York City this week. E. R. Lewis of the United States Fidelity & Guaranty is president.

### New Jersey Claim Men Meet

NEWARK, March 9.—The New Jersey Casualty & Utilities Claim Men's Protection Association held a luncheon-meeting here today, at which W. T. Cavanaugh, claims manager of the National Bureau of Casualty & Surety Underwriters, was a guest. B. J. Mackey, Bankers Indemnity, who is president of the association, presided.

### Name Unemployment Committee

MADISON, WIS., March 9.—An advisory committee which will aid the Wisconsin industrial commission in administration of unemployment insurance has been announced by A. J. Altmeyer, secretary. The committee is to discuss with the commission the general plan of procedure to be followed in enforcing the new law effective July 1, 1933, if 175,000 workers are not cared for by voluntary unemployment insurance by that time.

Three members of the committee represent the employers and three labor, with a member of the industrial commission as the seventh.

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| Do you have any real information in your office on Leasehold Interest other than the little in the rule book? |  |  |
| Have you an indexed file of newspaper clippings with interpretations to be used in selling?                   |  |  |
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| Have you a full understanding of and real equipment for selling U. & O.?                                      |  |  |
| Are you sure when you write a Robbery policy that a competitor can not write it better?                       |  |  |
| Have you an accurate understanding of the difference between Profits and Commissions and U. & O?              |  |  |
| Do you know how a Plate Glass loss is settled under a Windstorm policy?                                       |  |  |
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